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U.S. HOUSE OF REPRESENTATIVES

PERMANENT SELECT COMMITTEE ON INTELLIGENCE

WASHINGTON, D.C. 20515

Hpci

4 AUG 1978

OLC #78-2963

Honorable Stansfield Turner
Director of Central Intelligence
Washington, D. C. 20505

Dear Admiral Turner:

The Committee would like to bring to your attention the Subcommittee on Evaluation's staff report, Warning: An Assessment of Intelligence Community Performance and Capability, three copies of which are enclosed.

The Committee was instructed by the full House to conduct a study of the quality of analytical capabilities and the organization of intelligence activities. This report was prepared pursuant to that direction, and as part of the Subcommittee's ongoing consideration of warning intelligence. It is intended to serve two purposes:

- to provide information and analysis necessary for future consideration of resources and evaluation of warning performance;

- to call the attention of the intelligence community to areas of relative neglect in indications and warning and to the need for more focused leadership.

The Subcommittee has found that warning is a vitally important, yet vast and elusive, mission. Effective warning draws on the performance of almost the entire intelligence community. It also requires the understanding of intelligence users, since misperceptions about the warning process can contribute to "intelligence failures." For these reasons, warning is a particularly appropriate subject for sustained Congressional oversight.

The Subcommittee on Evaluation plans to hold hearings on warning in the fall. Prior to these hearings, it will review your response to the Committee's request, made in the FY 1979 authorization bill report, for a report on actions taken to create a leadership focus for warning. Intelligence community views on that and other subjects considered in the staff report will be solicited at the time of the hearings.

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Should you wish to comment on the staff report prior to the hearings, the Subcommittee will consider your views with great interest.

With every good wish, I am

Sincerely yours,

Edward P. Boland

EDWARD P. BOLAND
Chairman

Enclosure

95th Congress
2d Session

HOUSE OF REPRESENTATIVES

Copy No. 1

WARNING: AN ASSESSMENT OF INTELLIGENCE COMMUNITY PERFORMANCE AND CAPABILITY

STAFF REPORT
SUBCOMMITTEE ON EVALUATION
PERMANENT SELECT COMMITTEE ON INTELLIGENCE

August 1978

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WARNING: AN ASSESSMENT OF INTELLIGENCE COMMUNITY PERFORMANCE AND CAPABILITY

Staff Report

Subcommittee on Evaluation

Permanent Select Committee on Intelligence

U.S. House of Representatives

August 1978

PREFACE

The performance of the intelligence community is routinely judged on the basis of accuracy and timeliness in warning. This mission -- termed also "indications and warning" (I&W) -- consists of all the intelligence activities that result in alerting national decision makers to the need to consider taking some action.

This study examines the warning process and the organization and procedures of the "warning community" -- those intelligence community elements that hold particular responsibility for warning. It makes clear that, although important parts of the I&W mission are performed by the Defense Intelligence Agency (DIA), the Services, and the Commands, warning is not strictly a military responsibility. It is a broad mission that requires the resources of the entire intelligence community.

The response of the "warning community" to lessons demonstrated by past warning and crisis management situations is evaluated. The dilemmas inherent in the organization and management of intelligence watch centers are discussed, and the absence of a focal point for warning leadership is noted.

The need for sustained oversight and policy guidance over a wide range of warning-related issues is stressed, and forms the basis of the report's recommendations.

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WARNING: Assessment of Intelligence Community Performance and Capability

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I. Summary

I. SUMMARY OF FINDINGS

This report evaluates present warning capability by asking: how well has the "warning community" responded to lessons of the past?

The Subcommittee finds that some lessons have been learned more readily than others. Emphasis on collection and on other problems that can be addressed primarily with technology has overshadowed attention to improving analysis and to minimizing uncertainty in the production process. Five major lessons are identified:

Lesson 1: Improved Collection. Every crisis has stimulated collection efforts, advances in coverage, timeliness, accuracy and frequency. Technical developments and a continual learning process have dramatically improved collection capabilities in most areas.

Lesson 2: Better Information Management and Warning Procedures. Major changes in the organization of the "warning community," changes in communications and warning procedures, and widespread adoption of automated data processing have been spurred by past crises. Due to the absence of a focal point for community-wide warning policy in recent years, efforts to test the utility of new warning procedures, reporting formats, and crisis management procedures have been inconclusive.

Lesson 3: Better Analysis. Analytical pitfalls have been recognized in post-mortems and other studies of past

warning situations, and limited organizational and training efforts have been undertaken in response. Existing mechanisms do not ensure that analysts ask all pertinent questions or that they confront reasonable alternative hypotheses; the use of structured and analytical methodologies is still in its infancy, and improving analysis through better personnel management receives little concentrated attention.

Lesson 4: Expectations of Unambiguous Warning. Although history has demonstrated that warning is likely to be ambiguous, the expectation of collecting unambiguous indications continues to prevail. There has been little progress in developing warning products that reduce unnecessary ambiguity by informing users of the probability of an event, and of the level of the analyst's certainty in estimating it.

Lesson 5: Users' Resistance to Warning. Past cases suggest that users' resistance to warning can contribute to "intelligence failure." Since decision makers' use of warning products lies outside of intelligence activities, the issue receives little attention from the intelligence community.

Because of relatively little attention to analysis and to minimizing unnecessary ambiguity, intelligence performance in future warning situations is likely to reveal familiar

weaknesses. Enough intelligence will have been collected, and, in general, processing and dissemination will be timely. While analysis may be good, key questions may not be addressed. Differences among the views within the intelligence community may not be explicit, and the warning products will not indicate changes in the estimated likelihood of an event. As a result, the warning judgments received by decision makers will be less than clear and convincing.

The report finds that the persistence of these weaknesses is attributable to a lack of adequate leadership in the "warning community." The need for more focused leadership is evident, both at the community level and in the management of the DoD Indications System.

Therefore, it recommends:

- That the Director of Central Intelligence provide a focus for warning leadership in the community, which may require appointment of a special assistant for warning;

- that the Secretary of Defense and the Services provide for the implementation of a comprehensive upgrade of the DIA-managed World-Wide Indications and Warning System, including clearer demarcation of authority and management responsibility among DIA, the Services and the Commands; and designation of a single point of accountability within DIA for DIA's management responsibilities for the System.

These recommendations are further detailed in Section VI, "Assessment."

II. Warning Intelligence

II. WARNING INTELLIGENCE

A. Warning of What

The purpose of warning depends on the interpretation of national interests held at any given time by national decision makers. It is the President, the Secretaries of State and Defense and the Joint Chiefs of Staff, and, in a general sense, the broad spectrum of American policy shapers--who determine what events would so affect the national interest as to require special vigilance.

The primary focus of U.S. warning activity has been the possibility of Soviet surprise nuclear attack. Concurrently, major attention has been directed against the possibility of Soviet conventional attack in Europe, with the prospect of a rapid escalation to nuclear war. These have been the dominant national security concerns in the period since the second world war, during which the field of intelligence known as "indications and warning" has emerged.

It was in Europe that the United States first undertook the systematic monitoring of "indicators," or events that might predict attack. "Indications and warning" activity has since become worldwide, with certain technical improvements having occurred faster in other theaters, but the problem of warning in Europe still being the central concern. Years of analysis, several Berlin crises, and the Soviet invasion of Czechoslovakia

have resulted in refined lists of indicators, efforts to collect warning intelligence systematically, and a large corpus of estimative studies.

It is well understood by the intelligence community that Soviet action of any sort threatening to Europe is of the highest interest to U.S. decision makers. Similarly, the possibility of attack by the Peoples Republic of China against Nationalist China, or by a Soviet or Chinese-backed North Korea against South Korea, clearly receives warning attention. For developments in the Middle East, Southern Africa, or other regions, warning requirements are relatively less clearly defined. The degree of vigilance depends on the extent of Soviet involvement and on the way that U.S. leaders at the time define the national interest.

Although warning of attack on the U.S. and its allies quite properly is the major focus of warning activity, "warning" as used in this study is not restricted to information about attack, or even to information needed for a decision to commit U.S. military forces. For example, warning about the probable outcome of a conflict between Ethiopia and Somalia may be needed to guide U.S. diplomatic actions. Even a situation of impending default by heavily debt-ridden countries may require warning, for the formulation of appropriate U.S. economic or diplomatic policies.

Similarly, warning may not have to do with sudden, surprise events. It may require drawing the attention of busy decision makers to a situation about which they are already aware, but which, in the judgment of the intelligence community, embodies significant danger for the United States, and therefore warrants closer attention.

Thus, the warning process consists of all the intelligence activities that result in alerting national decision makers to the need to consider taking some action.

B. Warning Intelligence

No absolute distinction can be drawn between warning intelligence and other functions of national intelligence, as all predictive intelligence has an element of warning. Nevertheless, warning intelligence can be described as those functions in which the following four elements are present:

1) A warning judgment. That is, the intelligence community--or some part thereof--considers a certain development or change significant enough to warrant special attention. The judgment might be that of a watch officer, who observes a number of unusual indicators of hostilities, and reports them at a high level of precedence. Or it might be that of an interagency working group which decides that changes in the situation it is monitoring warrant the President's attention, and prepares a brief Intelligence Alert Memorandum to be issued by the Director of Central Intelligence.

2) Unusual urgency and salience. Although every current intelligence product reflects the producer's judgment that the news is significant and deserves to be read, the purpose of warning intelligence is to enable appropriate leaders to consider taking some action in anticipation of, or in response to, a predicted event or situation. Therefore, warning intelligence is produced and transmitted as rapidly as possible, and is directed at higher level decision makers than most current intelligence.

3) A finished product, actually received by decision makers. This might be a CRITIC message transmitted from the field to the President within ten minutes. It might be a briefing or a study based mostly on current intelligence, or an article drawing attention to the significance of an emerging pattern of events.

4) Initiative largely by intelligence producers, rather than users. In warning, the intelligence community must assume the responsibility for deciding--sometimes under great pressure--what information matters, who must hear it, and how urgently. Thus, for example, a study specifically requested by decision makers would not normally be a warning intelligence product. However, if the product contained an intelligence judgment that the situation is much more alarming than the decision makers realized, and therefore significantly sharpened the focus of their attention on it, it would be warning intelligence.

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C. Warning Terminology

Considerable definitional confusion surrounds the subject of warning. The following distinctions need to be made:

1) Tactical warning and strategic warning. The DoD Dictionary (JCS Pub 1) defines tactical warning as "a notification that the enemy has initiated hostilities." It defines strategic warning as "a notification that enemy initiated hostilities may be imminent." The distinction between tactical and strategic warning is one of time, with strategic warning occurring before the attack is launched. The actual amount of warning time provided by strategic warning may range from minutes to weeks, and there is always an element of uncertainty in it.

2) Tactical warning and intelligence warning. This distinction underlines the fact that tactical warning requires little analytical interpretation. Once intelligence systems detect and identify the attacking forces, the role of the intelligence community is reduced considerably.

3) "Big W" and "small w." This distinction has to do with the degree of national interest associated with a particular warning problem. It was defined most recently in 1974 when the position of the Special Assistant for Strategic Warning was established. In that DCI directive "strategic warning," or "big W," is defined as "the earliest possible warning that the Soviet Union, Warsaw Pact, People's Republic

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of China, or North Korea is considering military action by its armed forces beyond its borders or is employing its military capabilities beyond its borders in ways that might threaten military confrontation with the United States." "Small w" is warning of events in regions other than those listed.

4) Indications and warning, and current intelligence. Indications, or warning intelligence, is usually performed by analysts who also produce current intelligence, and it always depends on the same information. (Problems associated with closely identifying warning with current intelligence are discussed in Section V.) The distinction is that "the warning analyst takes incoming scraps, matches them in his mind against an indicator list and frequently refers back to small nuggets that may have long since lost their current intelligence value. The warning analyst may find threat overtones in a pattern of events which otherwise would be considered innocuous if viewed piecemeal."[1] This is not to say that warning analysis should be performed only by those predisposed to believe danger is imminent. Good warning analysis may sometimes require that the analyst conclude that events are actually not as ominous as they may first appear. The essential ingredient in warning intelligence is a warning judgment on whether a situation represents a danger.

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[1] [redacted] "A Watchman for All Seasons," Studies in Intelligence, spring 1969.

5) Warning and crisis management. The two activities are fundamentally different. Whereas warning is a judgment or an assessment of probabilities, intelligence for crisis management is simply current intelligence performed under pressure. In practice, situations that are being closely monitored for indications and warning can become crisis management situations once the hostilities have begun. Conversely, warning judgments continue to be required for the duration of the crisis. The two functions are largely performed by watch centers throughout the intelligence community, which is another reason that they are sometimes considered synonymous. (The development of watch centers for indications and warning and crisis management is discussed in Section V.)

6) Warning and prediction. Most warning cannot provide an accurate prediction of when, how, or even whether an event will occur. In part, this is because of the cyclinal nature of the warning process. At a time when available evidence supports the issuance of warning, the prospective opponent may still have several political and military options open. Even if he has decided to initiate an attack, his ultimate decision to execute it may be contingent on U.S. response. The principal value of the early warning judgment is to alert the President in time for him to take precautionary measures, to try to deter the adversary, or to foreclose particular options to him.

Whereas an accurate prediction of the likelihood of hostile activity is the desired product of the warning process, available evidence sometimes supports only a more general notification of impending activities. Often warning does little more than signal a change. The inherent limitations of warning are reflected in the definition used in NIE 4-1-78 on warning in Europe: "an intelligence judgment clearly conveyed to national decision makers that the Warsaw Pact is taking steps to enable it to go to war in the near future and that the course of events has increased the likelihood of war in Europe." (Emphasis added)

This general notification is the minimal product required of the intelligence community. In certain circumstances, more precise prediction is possible and should be provided. In either case, it is the responsibility of the intelligence community to avoid unnecessary uncertainties in its warning judgments. Decision makers should not have to guess whether a given report represents a significant change in the intelligence community's judgment of the likelihood of an event. Through well structured analysis and appropriate reporting formats, the "warning community" should inform as explicitly as possible about perceived changes in the situation, and about the degree of certainty and of unanimity in its warning judgments. As the following sections of this study indicate, effective organization and leadership of the "warning community" are essential in meeting these requirements.

III. "Warning Community"

III. THE "WARNING COMMUNITY"

While most of the intelligence community participates to some degree in the warning process, it is possible to think of a smaller "warning community" composed of those elements that hold particular responsibility for this function. It includes activities in each major segment of the intelligence cycle -- collection processing, analysis, and production. This section identifies the elements that make up the "warning community" and examines the relationships among them.

A. Collection and Processing

Most collection resources produce some information relevant to indications and warning. With a few exceptions, warning intelligence does not require special collection systems.

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As the Cuban Missile Crisis demonstrated in 1962, a picture, besides being informative, can be persuasive. Open source collection can also be important, both for ascertaining

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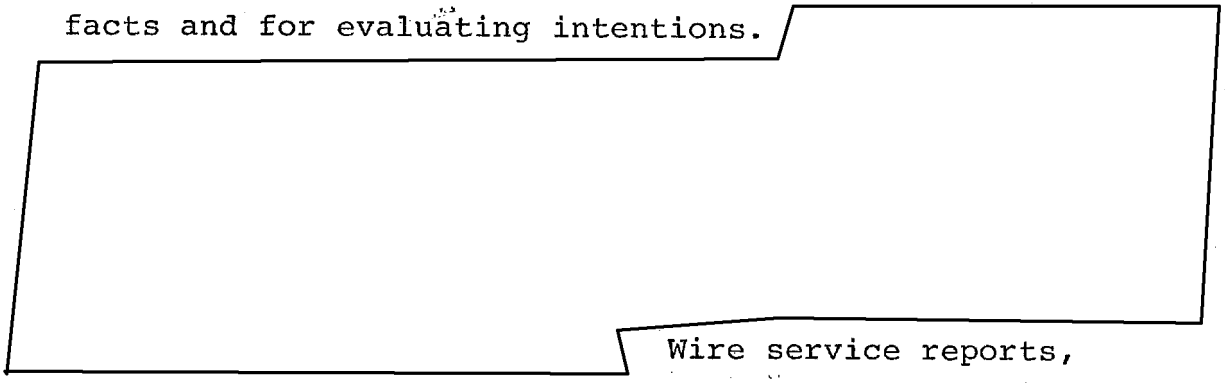

Wire service reports, routinely scanned by intelligence analysts, sometimes provide the earliest news of a situation of potential warning significance.

Nevertheless, some collection systems are of particular relevance to indications and warning, either because of the

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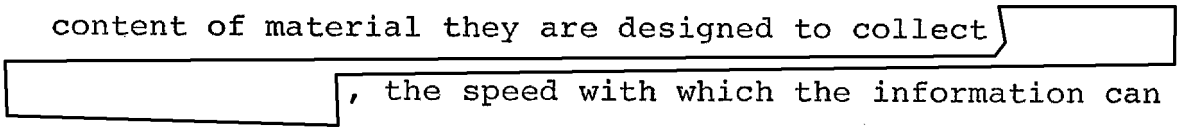

, the speed with which the information can be transformed into finished intelligence, or because of the system's flexibility to be retasked to collect intelligence in a crisis.

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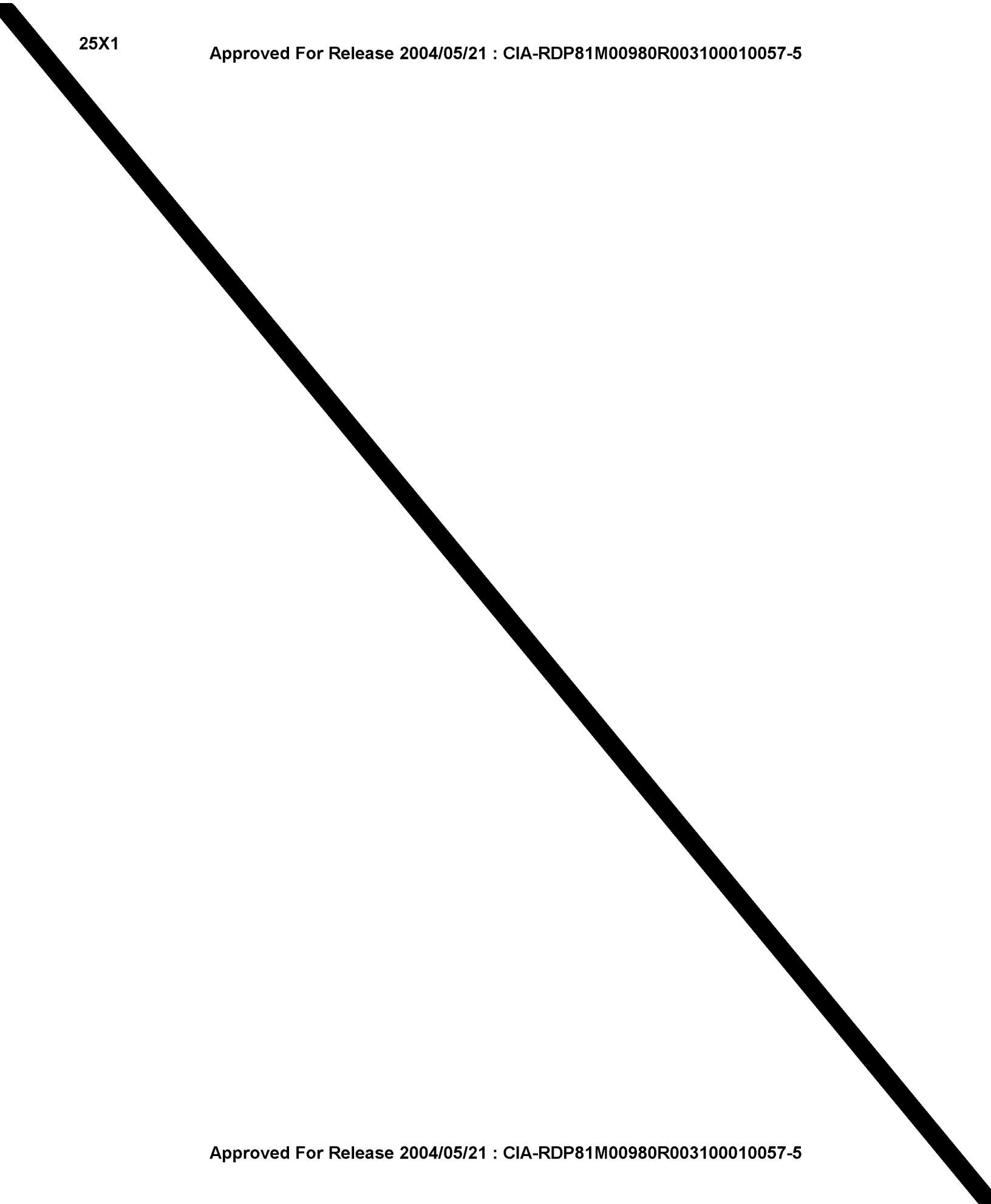

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possible in each of the disciplines, intelligence on ememy intentions and changes in capability is collected and disseminated rapidly enough to provide early warning.

The part of the "warning community" involved with collection consists of analysts and managers who develop the sets of collection targets for indications and warning, who determine where there may be gaps in collection, and who undertake special studies and management efforts to improve collection for warning.

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B. Analysis

The "warning community" is largely centered on the intelligence production organizations, since the analytical process underlies the issuance of a warning judgment. Members include the analysts and managers of watch centers in each of the intelligence agencies and in Unified and Specified Commands around the world. In addition, current intelligence analysts who are not assigned to watch centers, and area or subject specialists throughout the intelligence

community may be participants, depending on events in their part of the world. It is these analysts and managers who -- in products ranging from CRITIC messages to current intelligence articles and longer estimative papers -- decide that a situation requires the attention of policy makers.

Particular responsibility for reaching a warning judgment on situations involving U.S. vital interests has been assigned to the Strategic Warning Staff (SWS). This staff, located in the Pentagon, consists of eight analysts drawn from CIA, DIA, NSA, and the Services. In its weekly and monthly publications, circulated throughout the intelligence community, SWS assesses the warning significance of developments in the Soviet Union, Eastern Europe, China and North Korea -- the so-called "big W" areas. By soliciting reactions and contributions to its assessments, the small staff attempts to ensure that analysts throughout the intelligence community focus attention on situations of potential "big W" significance. SWS also revises the intelligence community's lists of General Indicators, evaluating different kinds of information -- for example,

25X1 [redacted] -- as indicators of hostilities.

Other long-range analysis of the "warning problem" is also of direct relevance to the "warning community." By predicting the amount of warning time that the U.S.

and its allies might have, or by estimating the most likely circumstances from which an attack would arise, studies

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shape the perceptions of warning held by watch standers, managers, resource planners, and consumers.

Finally, certain staff elements that develop and promote the use of methodologies for warning analysis participate in the "warning community." [redacted] 25X1

C. Production

Warning intelligence involves a decision whether or not to produce a special kind of product -- one intended to alert users to an unusual situation. The decision to issue a Special Defense Intelligence Notice or to call a

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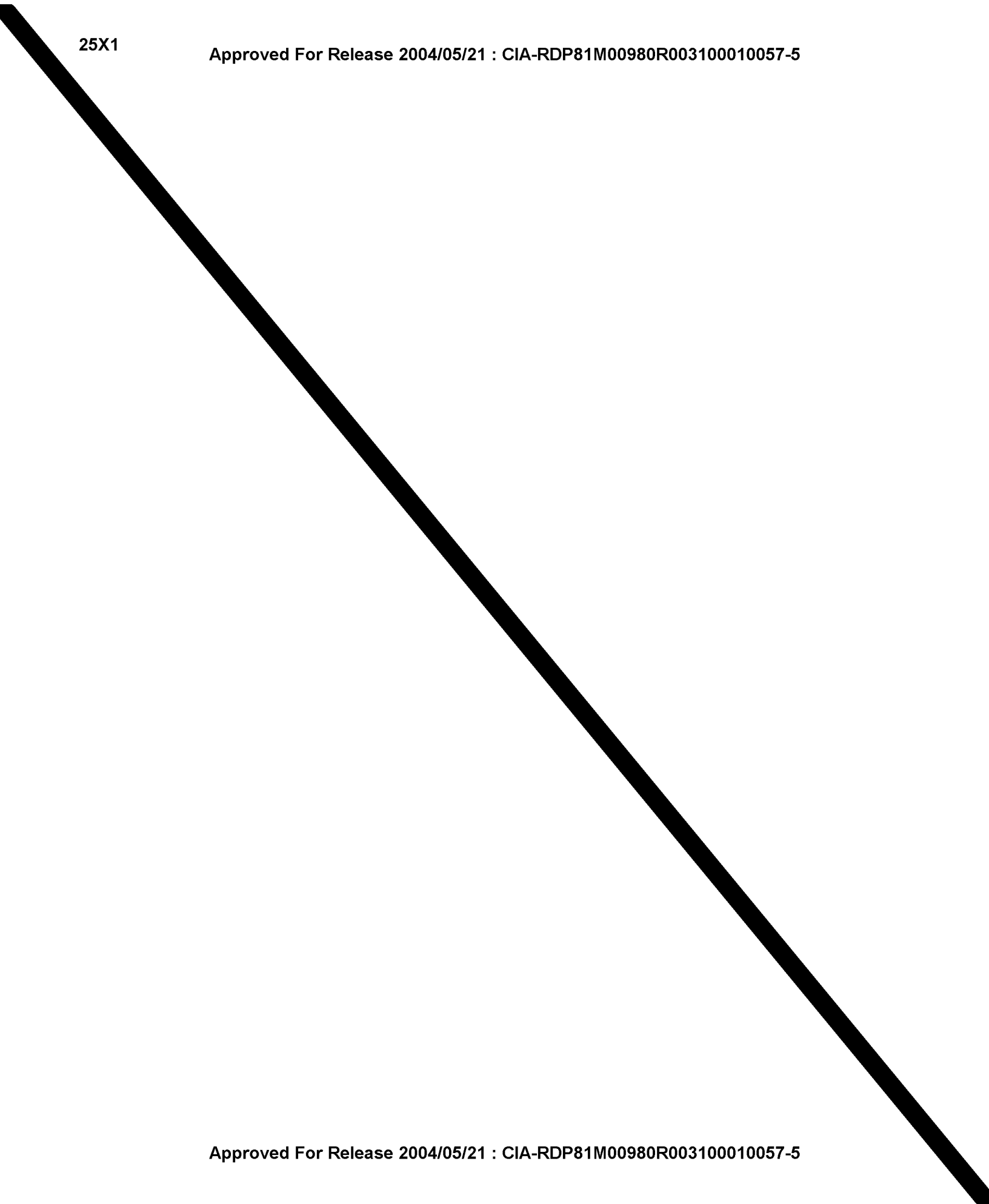
25X1 [redacted] Alert, for example, requires both an analytical judgment and a management decision. The individuals who bear particular responsibility for establishing or actually using these warning vehicles are among the most visible members of the "warning community."

The DCI's Special Assistant for Strategic Warning, to whom the Strategic Warning Staff reports, has the responsibility for preparing a Strategic Warning Notice to be issued by the DCI when, in the latter's judgment, there appears to be evidence of a "big W" threat. The DCI would notify the President and the National Security Council, although when time is of the essence the Special Assistant, or in his absence, the Director of SWS, could send the Notice simultaneously to the President and the DCI. When time permits, the Notice is to be coordinated within the intelligence community. No occasion clearly requiring the use of this warning mechanism has arisen since it was established in December 1974, although its participants -- the Director and staff of SWS, the Special Assistant for Strategic Warning, and, of course, the DCI -- have had occasion to interact more informally either to alert the President of an alarming situation, or equally important, to provide a judgment that a situation does not represent a "big W" threat.



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Within CIA and the State Department's Bureau of Intelligence and Research (INR), the warning or alerting function is not carried primarily by current intelligence producers, as it is at DIA. Rather, analysts in each of the geographic offices both monitor long-term trends and interpret the significance of current events. This approach, in use at CIA only since 1976 when the Office of Current Intelligence was abolished, entails certain trade-offs, which are discussed in Section V. Nevertheless, alert center personnel at CIA and State play a major warning role, particularly in crisis situations. At CIA a key participant in the "warning community" is the Director of the Operations Center. At INR, the Director of Intelligence Support and the head of the Current Intelligence Staff are participants, as well as the Director of the Office of Political/Military and Theater Forces.

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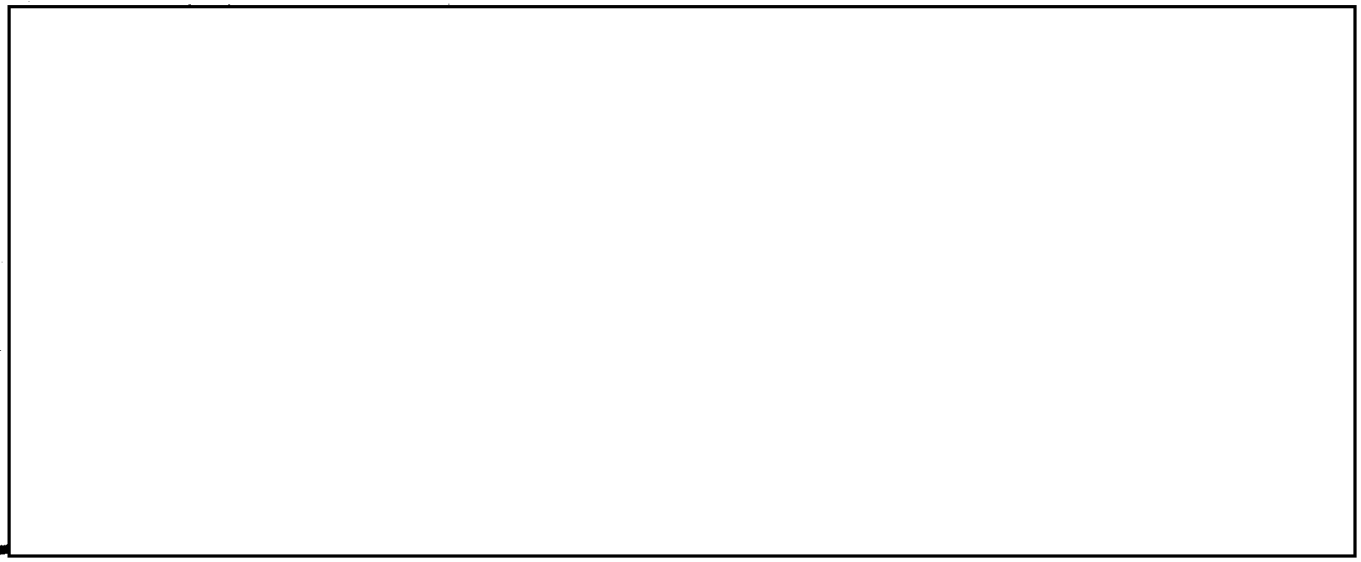

The Director of the White House Situation Room participates in the warning process by assembling items for the President's Adviser for National Security Affairs.

National Intelligence Officers (NIOs), who in October, 1977 were joined with CIA's Directorate for Intelligence to form the National Foreign Assessment Center (NFAC), hold a responsibility for warning, particularly for situations arising outside of "big W" monitored by the Strategic Warning Staff. The NIOs were established in 1973 by the DCI to manage the intelligence community's estimative production, and to provide contact among the various producers and the users of intelligence about given geographic areas or functions.

The Intelligence Alert Memorandum, a brief notice produced under the NIO's direction, was established as a special warning mechanism in late 1974, and used for less than two years. Issued by the DCI to the President and top officials, and disseminated through the intelligence community, it provided explicit warning of developments abroad of major concern to the United States. Its purpose was to draw top policy makers' attention to the problem. Different elements of the intelligence community usually participated in its production, and the

finished Memorandum itself was often, although not always, a coordinated product. Intelligence Alert Memoranda were never formally discontinued, and an Intelligence Community Staff Study after the first eleven months reported that in general they served the intended purpose well. Changes in personnel and major restructuring of CIA and intelligence community organizations, however, have resulted in insufficient policy guidance for their use.

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The National Operations and Intelligence Watch Officers Net (NOIWON) is a conferencing technique adopted by Washington area intelligence watch centers as a result of urging from Intelligence Community Staff personnel.

A NOIWON conference -- which permits a watch officer to confer simultaneously with other watch and operations centers in Washington -- is convened by a watch officer whenever a piece of information requires urgent but informal consultation in order to help determine its significance. NOIWONs are convened whenever a CRITIC is issued, and on the average occur once or twice a week.

During crises, the "warning community" assumes the shape of whatever task forces are formed. Special working groups or task forces within agencies are generally the responsibility of watch center or current intelligence production directors, although the analysts and communications specialists who man them, and who therefore are major "warning community" players during the crisis, may be drawn from other parts of the agency. Under an interagency mechanism established in 1973 and exercised only once so far, the National Intelligence Situation Report (NISR), the DCI designates one agency as Executive Agent, and responsibility for NISR production rests with that agency's director.

Certain IC Staff members are also members of the "warning community" because of their role in developing, promoting, and evaluating warning procedures. Recent Intelligence Community reorganization has removed these functions from the IC Staff's successor, the Resource

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- Communications systems maintained primarily for timeliness during crisis and warning situations;
- Data processing systems required for time-sensitive tasking of collection systems, for storage and retrieval of data by warning analysts, for statistical analysis of indicator data, and for over-all analyst support in watch centers;
- Development of indications and warning collection requirements, and management of collection personnel;
- Operation of watch centers and other analytical and production resources dedicated primarily to warning;
- Training of analysts, and personnel management;
- Establishment of warning procedures and mechanisms for use within the DoD Indications System, throughout the intelligence community, and between the community and national-level users.

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3. Leadership of the "Warning Community"

At the intelligence community level, leadership of the "warning community" is particularly important in three areas. First, desirable degrees of both coordination and constructive debate must be maintained as the elements of the community produce warning judgments and convey them to intelligence users. Effective warning at the national level requires drawing on the full resources of the intelligence community to produce its best judgment on a situation that may require a decision, and presenting that judgment in a sufficiently authoritative form to be heard clearly, without suppressing views into a bland consensus.

Second, decisions need to be made at a community level to ensure the adoption, use, and evaluation of common warning procedures and systems, and to facilitate the necessary consultation among community organizations on these and other warning-related issues.

Third, resource management at the community level must consider the relative value of proposed new systems to the indications and warning mission, and review all relevant budgetary decisions to avoid wasteful duplication and allow for maximum interaction of warning-related systems.

In general, the last three to five years have witnessed a notable lack of leadership in the first two areas. Simultaneously, the degree of community-level activity in resource management has increased.

a. Leadership in Production and Coordination of Warning Judgments

For nearly twenty years, two intelligence community mechanisms, the Watch Committee and the National Indications Center, monitored events that might affect U.S. interests, and prepared regular coordinated reports. This system was dismantled in late 1974, its functions having become stultified, and its objectives diffuse. Since then, the community has relied on the Strategic Warning Staff (SWS) to monitor the "big W" threat, and on the National Intelligence Officers (NIOs) to manage community-wide estimative production on the above and other geographical and topical areas. Neither the SWS nor the NIOs (nor both combined) fully replaces the Watch Committee as a focus for warning.

Neither SWS nor the NIO mechanism is ideally suited to ensure that the appropriate intelligence organizations focus analysis early enough on a situation. SWS operates in an environment of detached reflection which, although conducive to independent-minded and valuable analysis deprives it of the visibility and interaction with the

rest of the community which would enable it quickly to direct community attention to particular questions. NIOs in general have the necessary degree of interaction with intelligence producers and users in their subject areas, but their substantial duties as production managers compete with their role in warning.

Equally important, neither mechanism requires that the intelligence community confront differing views that may arise from the same set of facts. SWS invites responses to the views it expresses in its weekly and monthly publications, but the degree of attention given to these articles throughout the community is uneven.

As a result, the task of highlighting or reconciling differences among the warning judgments provided by the different agencies must sometimes fall to the White House Situation Room, which lacks the analytical depth to perform it. (See Appendix F.)

As a forum for focusing community-wide attention on the warning implications of current events (which may differ from their current intelligence interest, the Watch Committee appears not to have been fully replaced.

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a "lesson learned" was the inadequacy of relying on current intelligence for warning. The

SWS is fully devoted to indications analysis (although its mandate is limited to the "big W" threat); the absence, however, of a forum that requires the rest of the community to consider current events explicitly as indications may actually have resulted in a net loss in attention given to warning analysis.

In addition, the role of the Watch Committee as a forum for bringing together specialized "warning communities" of analysts working on the same problem in different agencies has not been fully replaced even by the improved communications and teleconferencing techniques adopted over the years. Analysts in several community organizations have expressed concern that the "warning community" may be working with borrowed capital, in that it relies on the networks of close personal relationships among analysts that were forged during the years when the Watch Committee operated.

There is no individual under the DCI in charge of ensuring that the necessary warning mechanisms exist and operate as intended. The suitability of current warning organizations to do all that is demanded of them--to focus community efforts and to provide an independent analysis, to be a forum and to ensure diversity of views--goes unmonitored.

The functions of the Special Assistant to the DCI for Strategic Warning are defined rather narrowly. He is the primary production officer for the "Big W" problem; the Strategic Warning Staff reports through him to the DCI. He has not been tasked to oversee the warning process for "small w," or to review the suitability and interaction of all the warning mechanisms. In addition, during the past year the position has been somewhat undermined in that the incumbent, the DIA Vice Director for Production, has been serving in an acting capacity.

b. Leadership in Warning Procedures

The absence of a focal point for community-wide warning policy over the past five years (which has seen five DCIs, seven heads of the Intelligence Community Staff and recently its total reorganization, and three Directors of the SWS) is evident also in the uncertainty surrounding the adoption and apparent discarding of community alerting and crisis coordination procedures.

One such mechanism is the Intelligence Alert Memorandum, which, as reported above, was in use for less than two years and then fell into disuse, in spite of a favorable evaluation by the Intelligence Community Staff. Those analysts and managers who have expressed interest in having it revived have stressed the need for adequate policy guidance from the DCI to ensure its usefulness.

Another mechanism whose future use is uncertain is the National Intelligence Situation Report (NISR) task force. The post-mortem prepared after its (only) use following the Korean tree chopping incident in 1976[7] concluded that clarification of mission is required to determine the bounds of the task force's analytical responsibilities. It found that a decision needs to be made whether to confine NISR reporting to intelligence and after-the-fact operational and diplomatic reporting or whether to stand by the original DCI intent to produce a report that will "provide its readership with all intelligence and operational information bearing on the problem at hand, including sensitive intelligence information and information concerning U.S. diplomatic initiatives and military activities."[8] Effective use of the NISR, or its conscious abolition, requires a focus of attention at the community level where the decision can be made.

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Implementation of more routine interagency efforts tends also to be slowed by the absence of a point in the warning community where such decisions can be made.

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[redacted] It was designed to link five major intelligence centers in the Washington area in order to facilitate rapid, informal consultation among analysts[9] and to make interagency coordination efforts less cumbersome. Initiated by members of the Intelligence Community Staff and designed by NSA, the system has been in development since right after the 1973 Middle East War, and was approved by USIB at the end of 1975. By mid-1978 the system still was not operational, despite considerable support throughout the community. Resistance from certain quarters may exist, but at least as significant in stalling this relatively simple aid is that its implementation has not been the responsibility of any agency. The problem has been compounded over the past year and a half by the slow reorganization of the Intelligence Community Staff.

Another example is the periodic convening of meetings of directors of the Washington area operations centers. Meetings have been held irregularly beginning in the mid-1960's, when they met several times a year as the "Washington Procedural Coordinating Committee" under White

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[redacted]

House leadership in order to set up a facsimile communications system. On occasion, heads of other operational command centers and civil emergency centers have participated. These meetings have been well received by the intelligence community watch centers, and the importance of contact between them and non-intelligence watch centers was recognized belatedly following the seizure of the Mayaguez, an incident which demonstrated the need for regular channels of communication between the intelligence community and the obscure Hydrographic Center of the Defense Mapping Agency. Despite universal approval of these meetings, the practice has sometimes lapsed simply because there has been no official or agency tasked to host the meeting.

b. Leadership in Resource Management

While there has been a notable lack of leadership in the areas described, the past three or four years have witnessed a strengthening of the role of the DCI in community-level resource management. This is a development of particular importance to the effectiveness of the community's warning "system".

One area in which the effectiveness of the warning system--to say nothing of its resource efficiency--can suffer particularly is if there is loose management in the review of requirements for new systems. In an unconstrained

environment, system developers and other advocates are free to ascribe "indications and warning" importance out of proportion to the analytical community's actual need for such a system. Because the "I&W" task itself can be defined in various ways, its exact requirements for new collection systems, increased timeliness, etc., are not self-evident. Up until recently new capabilities could be justified on the basis of their "I&W" importance with relative ease. If a system could claim the support of the relevant USIB, NFIB, or DCI collection committee, it would face little further scrutiny.

The process has become considerably more constrained. One reason is that the intelligence community as a whole faces greater resource constraints than in the past; the value of any new capability must be weighed against alternative uses of the resources. Another factor is increased congressional scrutiny. Finally, the role of the Intelligence Community Staff--now called the Resource Management Staff (RMS)-- in community resource management review has increased. A series of RMS studies of intelligence missions currently includes an examination of the "I&W" mission which attempts to identify the specific tasks associated with it, and to measure the expected contribution to that mission of any proposed new system.

Nevertheless, the particular difficulties of defining the I&W task and setting its requirements demand that the problem receive regular community-level attention.

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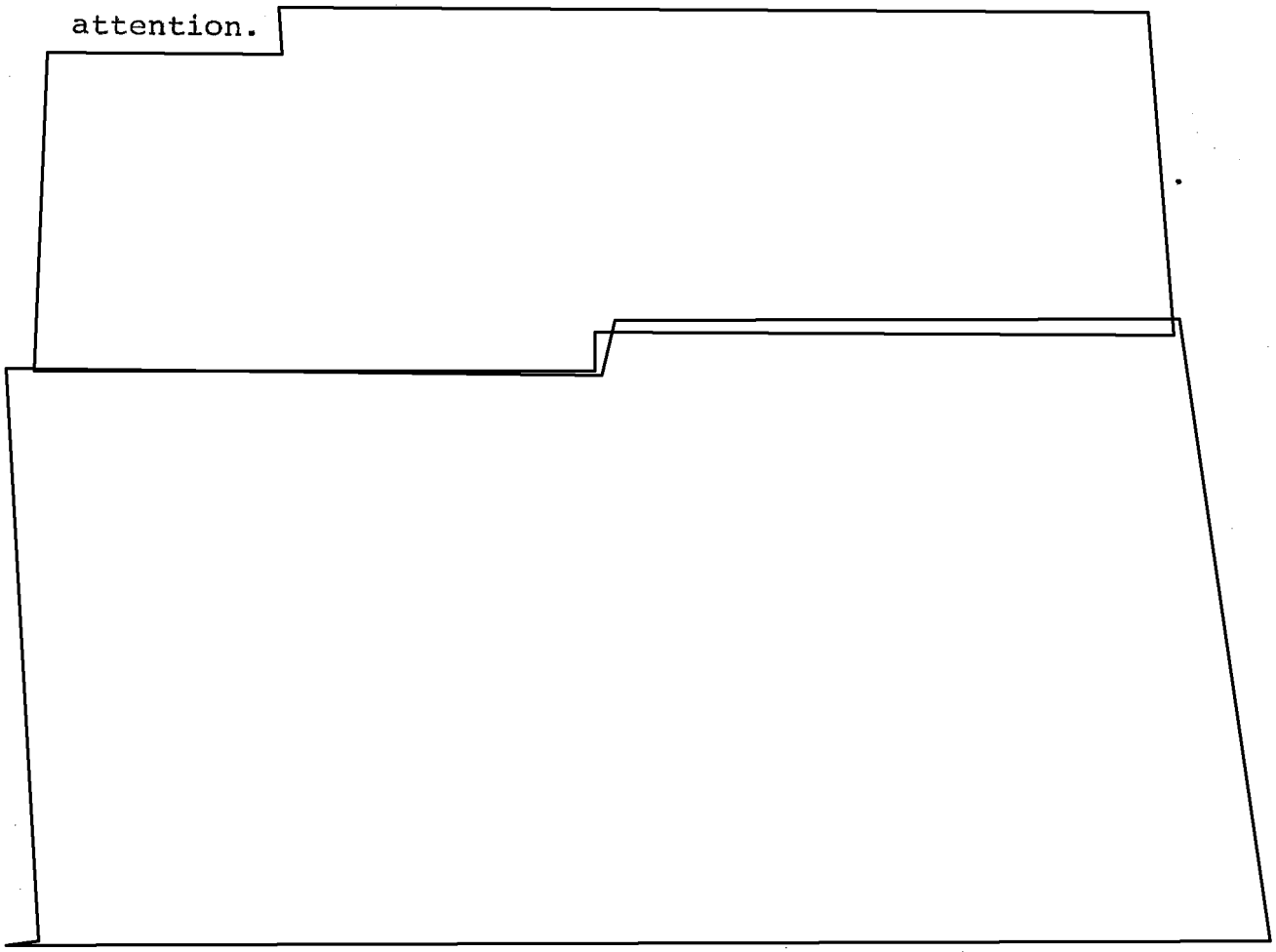

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4. Summary

Management of the "warning community" is diffuse, causing fundamental policy issues to be approached in a piecemeal and sometimes incidental way, while resource decisions affecting the warning systems are sometimes made in isolation from each other. Review of DoD activities

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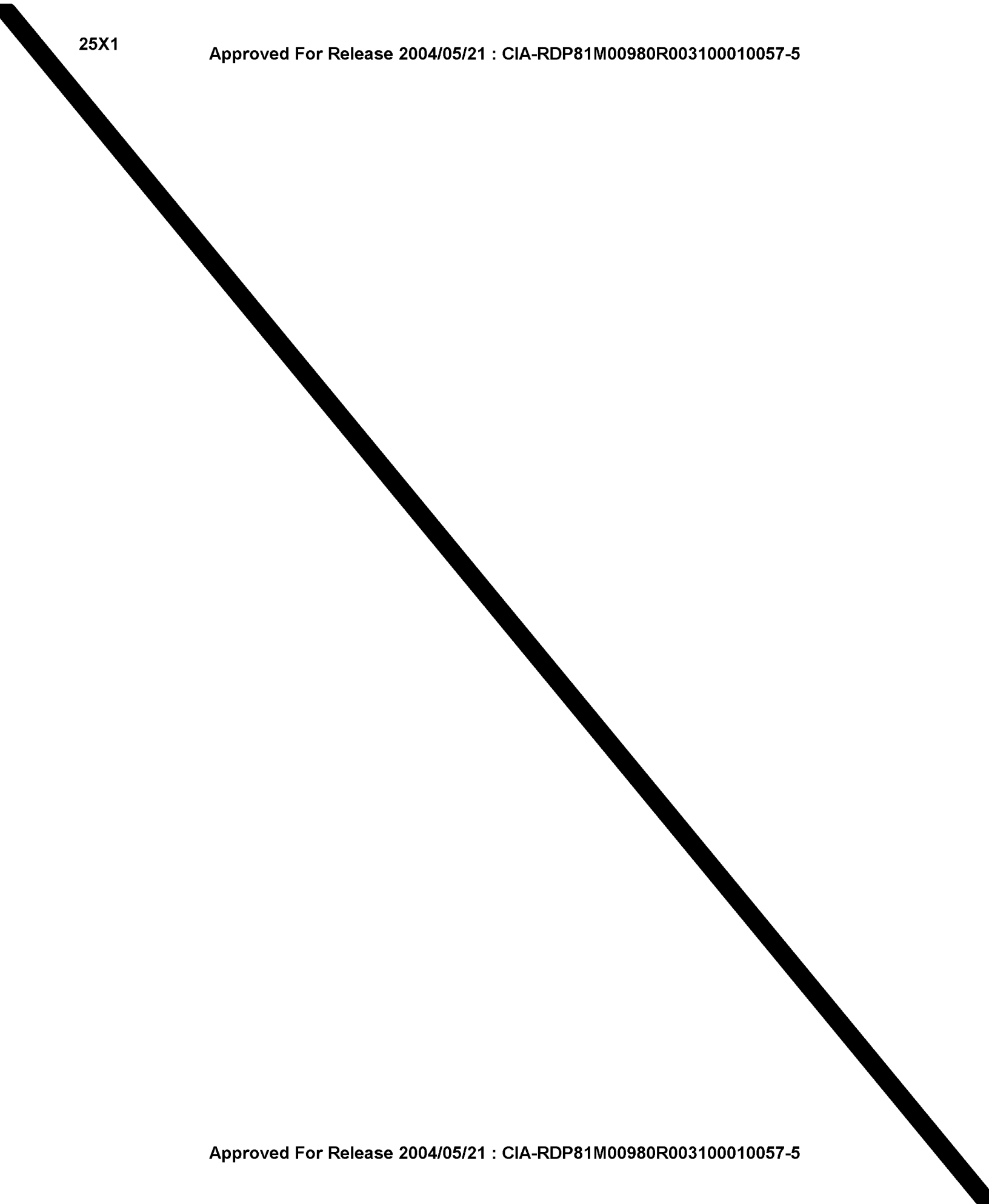

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IV. Lessons of Past

IV. RESPONSE OF "WARNING COMMUNITY" TO LESSONS OF THE PAST

There can be no doubt that the "warning community" has learned from lessons of the past thirty years. The shape of the community has changed, with new agencies having come into existence, procedures having been adopted and discarded, technological advances providing new collection, communication, and data management capability. Each of these changes has originated, or at least been justified, as a response to lessons learned in past warning situations.

Some lessons are learned more easily than others. The need for more complete and timely intelligence collection is readily perceived after every warning situation, and actions are taken to improve these capabilities. Weaknesses in analysis and other problems rooted in attitudes and habits are more difficult to identify. When post-mortems on intelligence failures have forcefully identified lessons of this sort, little if any action has been taken to ensure that the lessons are learned.

In the first part of this section, the major events that have shaped the "warning community" are reviewed. The second part identifies five major lessons derived from this review, beginning with those which the community has responded to most readily and concluding with those lessons which tend to be ignored.

A. Changes in the "Warning Community" Reflect a Learning Process

1. Pearl Harbor

The intelligence community as we know it had its origins in the lessons of Pearl Harbor. The major lesson was that mere collection of intelligence does not provide warning; there needs to be effective analysis in order to sort out signals from "noise." The need to bring together intelligence collected from different sources and at different times was recognized. Following its investigation of Pearl Harbor, Congress passed the National Security Act of 1947 creating a Central Intelligence Agency and setting up a National Security Council structure, to ensure greater coordination of intelligence and decision-making within the government.

Perhaps the single major effect of Pearl Harbor on the community was to create a belief in the possibility of catastrophic surprise. This attitude was further engrained in 1950 with the North Korean invasion of South Korea. Investment in systems [redacted] designed to provide tactical warning of strategic attack, is a measurement of continued concern about a "bolt out of the blue" attack. 25X1

Other more subtle lessons of Pearl Harbor--including the need to overcome wishful thinking--have never been fully learned, although Roberta Wohlstetter's 1962 study of Pearl Harbor helped bring these analytical problems to light.

2. Cuban Missile Crisis

The Cuban Missile Crisis in 1962 proved the importance of integrated intelligence collection and production in crisis management. Intelligence, ranging from HUMINT to reconnaissance photography, played an important part in every stage of the crisis. The crisis vividly illustrated the value of unambiguous intelligence when decision makers need to be convinced rapidly to take action. At the same time, analysis of the many chance and routine elements[10] that resulted in the October 14 U-2 photographs of missile sites suggests that one cannot always expect to collect such persuasive and unambiguous pieces of intelligence.

The events also demonstrated that in times of crisis the lines between national and tactical intelligence are blurred, as technical collection and rapid communications enabled the President to direct the implementation of the naval quarantine. By the time of the Vietnam war, further advances in communications enabled national decision makers to monitor tactical situations thousands of miles away, causing the distinction between national and tactical intelligence to become even more blurred.

3. Czechoslavakia

The Soviet invasion of Czechoslovakia in 1968 is the event which has been most studied by the "warning community."

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[10] For example, Graham Allison, Essence of Decision, Boston, Little, Brown and Co., 1971, Chapter 4.

Most of the mid-level and senior personnel now in the intelligence community observed it closely at the time. Younger analysts have been trained using this invasion as the primary textbook case. Indicator lists, which were adapted from British "check lists" during the first Berlin crisis in 1949, have since 1968 been further elaborated on the basis of study of Soviet preparations for that invasion.

The intelligence community drew two important lessons about warning of Soviet attack. On the one hand, Soviet preparations would be overwhelming and unmistakable; the community had distinguished well among the deployments in May for political demonstrative purposes, those required for the military exercises in June and July, and the continuing, massive preparations for the actual invasion on August 20. On the other hand, "the Czech invasion. . . reconfirmed that, even with very good military indicators and with political indications no worse than normal, the prediction of specific Soviet actions is difficult and will remain difficult in the future."[11]

Nevertheless, the fact that the intelligence community did not warn that a Soviet decision to intervene with military force had been made, or even that such intervention

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[11] [redacted]

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was more likely than not, spurred efforts to improve collection, particularly the development of near-real-time imagery. Study of the events of 1968 also helped stimulate the application of the systems approach to intelligence collection, in an effort to ensure that enough data would be collected corresponding to certain indicators to forecast future events. Efforts to speed up communications and to facilitate dissemination of large volumes of message traffic also resulted.

4. Vietnam, U.S.S. Pueblo, and Other Crises

The Vietnam War and a number of sudden crises during the war and in the years since have exercised the "warning community's" capability for rapid response and effective support for crisis management. As a whole, these events have further stimulated the adoption of automated traffic dissemination systems, and underlined the need for rapid and reliable communications. In addition, each event has yielded particular lessons of its own.

The seizure of the U.S.S. Pueblo in 1968 demonstrated serious weaknesses in the military command and control system, and--like the June 1967 bombing by Israel of the U.S.S. Liberty--underlined the need to integrate intelligence effectively with military command and control.

The shoot-down of a U.S. EC-121 reconnaissance aircraft by North Korea fifteen months later dramatized the difficulty of obtaining information on U.S. military plans and sensitive diplomatic initiatives.

The 1975 seizure by Cambodians of the Mayaguez, a U.S. container ship, in part represented a failure of warning; previous threats and incidents against other vessels had not been perceived as indications of possible action against a U.S. vessel. The major import of the incident, however, was in crisis management: in the inability of the "warning community" to communicate effectively with elements outside of the intelligence community that are occasionally involved in crisis management. At the time of the Mayaguez no one in the intelligence community watch centers knew how to alert merchant marine vessels; they did not know that the Hydrographic Center of the Defense Mapping Agency performed this function.

In 1976 the attack by North Koreans on U.S. soldiers in the D.M.Z. who were chopping a tree sparked a brief but serious confrontation. The event carried significance for the intelligence community in two very different ways. Substantively, it underlined the continuing difficulty of collecting against North Korean intentions.

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doctrine hampered interpretation of technical intelligence collection. In a procedural sense, the tree chopping crisis provided the occasion for the first and only exercise of a community-wide process designed to provide decision makers with a coordinated National Intelligence Situation Report.

5. October War

The intelligence community failed to predict the October 1973 Arab attack on Israel. Despite earlier predictions in the spring of 1973, during the summer and fall DIA, CIA, and INR all were providing assurances that there would be no imminent attack.

A post-mortem report by the Intelligence Community Staff began with a statement "there was an intelligence failure in the weeks preceeding the outbreak of war . . .," and squarely placed the blame on producers rather than collectors.

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Perhaps more than at any time since publication of Wohlstetter's book on Pearl Harbor, attention focused on the pitfalls of analysis and on the relationship between intelligence and consumers.

The major recommendations concerning analysis and production that came out of this review process have not been implemented, although further study has occurred. A community-wide review of warning procedures, publications, doctrines and analytical methodologies was proposed.

Systematic reporting of probability was advocated, as was the adoption of a coherent national family of products for publication during crisis. In general, however, decisions on common alert mechanisms and procedures have largely awaited the emergence of a leadership focus for warning at the community level and within DoD.

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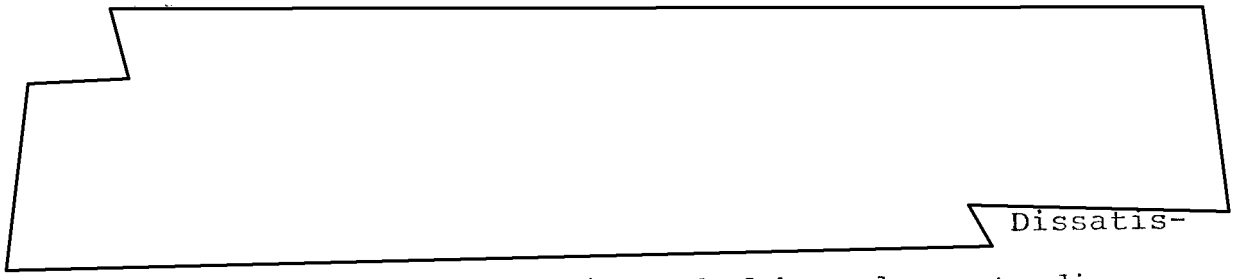

Dissatisfaction with the Watch Committee had been long-standing, largely because it had broadened its focus to include so many areas that its primary attention to the Soviet Union and China was diluted. To this initial dissatisfaction the failures of October 1973 added another: the Watch Committee/NIC mechanism had not adequately performed the long-term trend analysis essential to warning. Rather, it had become little more than the synthesizer of current intelligence production, and the October War showed that short range indications can be correctly interpreted only when sufficient long range analysis has been done to establish a proper framework.

Military indications had been collected during the summer and fall which, although not conclusive, would have been sufficient to prompt a warning of the growing possibility of Arab attack. An NIE in May had indicated the danger of war would increase if the UN debates and U.S.-

Soviet summit meeting should pass without any result judged useful by Cairo. An INR report had further underlined that danger. Attitudes within the intelligence community caused analysts to discount much of the current military indications, and the long-term perspective which might have overcome these attitudes was lost in the attention to current reporting. Thus the mechanisms established after the Watch Committee--the Strategic Warning Staff and the NIOs--were intended to ensure that the long-term context would not be lost again.

6. Recent Experience

On several occasions over the last two years the "warning community" has had to consider whether a situation marked by a number of unusual indicators actually represented a danger to the U.S. One such occasion occurred in the Spring of 1977 when Soviet harassment of U.S. patrols in East Berlin coincided with East German mobilization exercises and a number of other circumstances of potential concern. All elements of the "warning community" were involved in monitoring this situation, and ultimately judged that there was not an imminent threat. Although this judgment was sound, the production process resulted in a degree of confusion and uncoordinated effort by the various community elements. This further underlines the need for community-level leadership to establish and oversee alerting procedures.

B. Five Lessons, Partly Learned

The major events described above, together with more routine experience accumulated over the years, have brought about changes in capabilities, procedures, organization, and perceptions. The following discussion of five lessons from the past distinguishes between those which tend to be "learned" readily, and those which--even if widely recognized--have not brought about much improvement.

Lesson 1. Improved Collection

Ironically, reports written about every intelligence failure have indicated that enough intelligence was collected to prompt a warning; the major reasons for failure lay elsewhere. Yet, the first and most invariable response to any past crisis, whether or not it was considered a "failure," has been to increase collection capabilities and improve timeliness.

For example, following the Czech crisis and the postmortems on it, the United States Intelligence Board (USIB) met repeatedly to consider action to be implemented on the basis of the studies' recommendations. Although improvements in collection constituted only a part of the recommendations received, USIB directed its formal action in the months following the crisis almost exclusively at

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Lesson 2. Better Information Management and Warning Procedures

Every crisis has provided examples of breakdowns in the flow of information. Typically, the volume of message traffic doubles, and the number of participants increases with the formation of new working groups, task forces, etc. Although the opportunities for significant pieces of information to be literally "lost in the system" are few, delays can occur in transmitting reports to

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the right people. Insufficient attention can be paid to an emerging pattern of events, and even when the warning judgment is reached by one element in the community, it can fail to catch policy makers' attention because it is submerged in a flood of current intelligence.

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The intelligence community has been sensitive to parts of this problem. Automated cable dissemination systems have been adopted and the communications systems linking watch centers with each other and with collectors have been steadily improved. These efforts have been stimulated by the invasion of Czechoslovakia, when receipt of certain technically collected information was slow; the seizure of the Pueblo, when poor communications and procedures impeded both intelligence and command control; and the October War, which was marked by delays in the receipt of intelligence about the tactical situation. Spurred largely by the

flood of paper generated during the Vietnam War and by traffic dissemination problems during the October War, intelligence community organizations established procedures and provided facilities for crisis task forces and working groups.

While traffic dissemination systems, task forces, and other procedures for coping with floods of data have been tried with varying degrees of success, it is notable that 25X1

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Experience with past crises is reflected in the adoption of new communications procedures, although implementation can sometimes be very slow. Minor procedural changes have been 25X1 made in the CRITIC System, [redacted]

The NOIWON represents the most significant new procedure to be adopted by the "warning community," in that it made it both technically possible and organizationally feasible to bring an item of warning intelligence immediately to the attention of all Washington area watch and operations centers. Post-mortems on the Pueblo seizure and EC-121 shoot-down

demonstrated the need for such a system, as did subsequent crises. Implementation of the NOIWON, a technically simple and inexpensive conferencing system, occurred only in 1974, after its need was again demonstrated during the 1973 October War.

A lesson learned during the Mayaguez affair was the need for regular channels of communication between intelligence community elements and those elements of the U.S. government that manage or monitor certain emergency situations. A list of all Washington area watch centers was prepared in the aftermath of the crisis, and a worldwide directory of watch centers was prepared with the assistance of the Intelligence Community Staff in 1976.

Whereas these procedural responses have occurred with relative ease, problems of compartmentation have been more intractable. Past crises have yielded numerous examples where the inability of warning analysts to take into account reports in highly compartmented intelligence channels, information about U.S. military operations, or knowledge of U.S. diplomatic activity has contributed to intelligence failure or has added to confusion and delay in crisis management. In 1963 NSAM 226 established a policy which required that the Watch Committee be provided all warning relevant information "without restriction because of source, policy, or operational sensitivity." Nevertheless,

immediately preceding the outbreak of the October War the CIA judged that certain clandestine reports were too sensitive for Watch Committee use.

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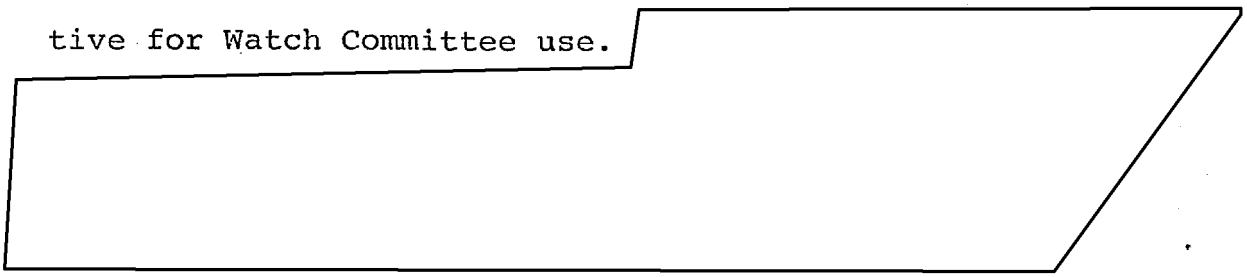
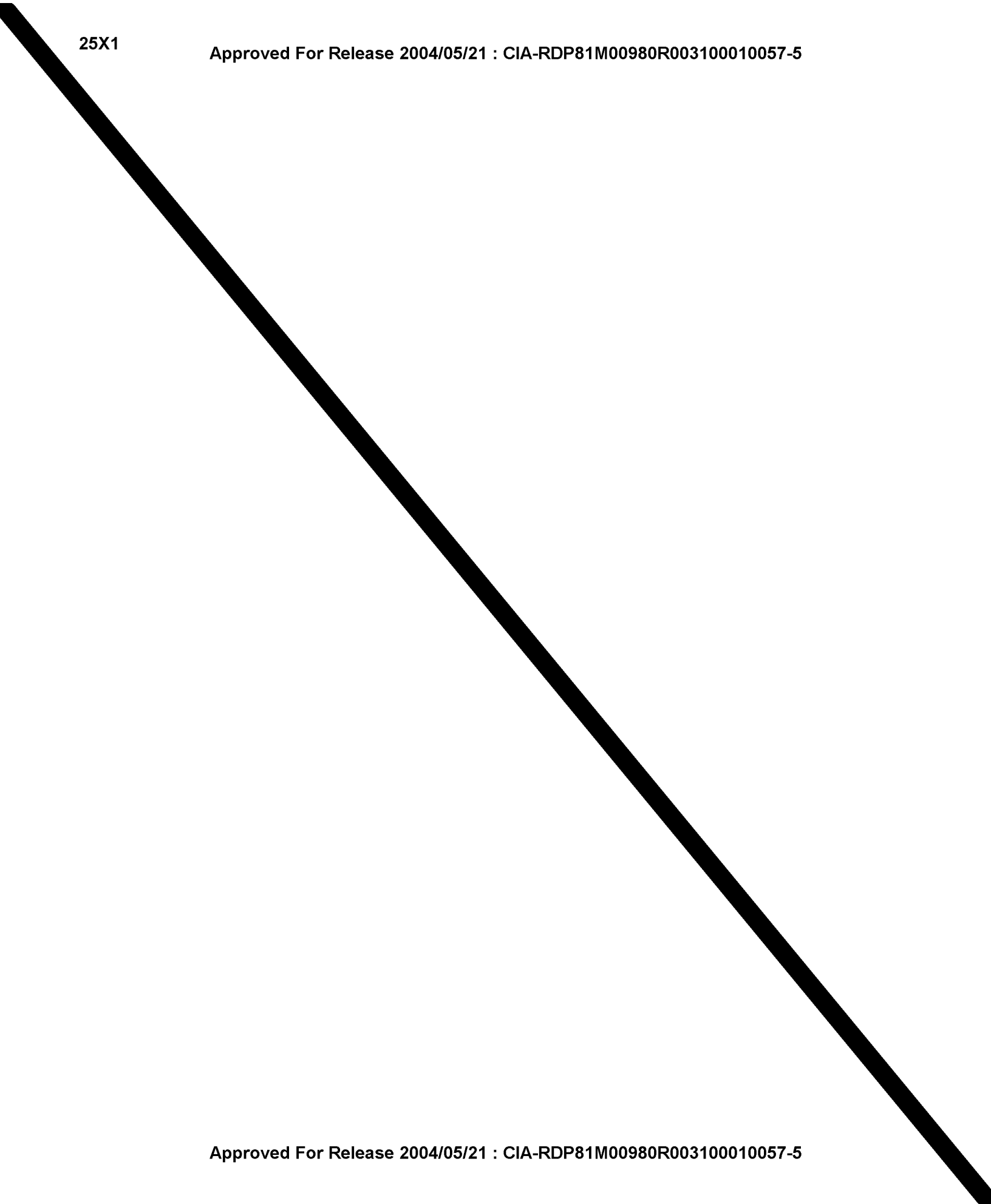


Information about diplomatic exchanges between U.S. and other officials would appear to be essential to warning analysis. Yet the inherent sensitivity of high-level exchanges, particularly during periods of tension, often causes policy makers to hold this material in diplomatic channels. Nowhere was this tendency more evident than in the Middle East diplomacy under Secretary of State Henry Kissinger. Undoubtedly a contributing factor in the 1973 intelligence failure was analysts' recognition that they were not privy to Kissinger's conversations with Arab leaders; as long as Kissinger was not alarmed, analysts tended to discount the significance of their own military indicators. As recently as spring 1977, when intelligence analysts were trying to assess the seriousness of events surrounding U.S. "flag tours" in Berlin, the intelligence community did not have full access to information about U.S. diplomatic response to Soviet actions.

The problem of access to operational intelligence has received considerable attention, and measures taken to



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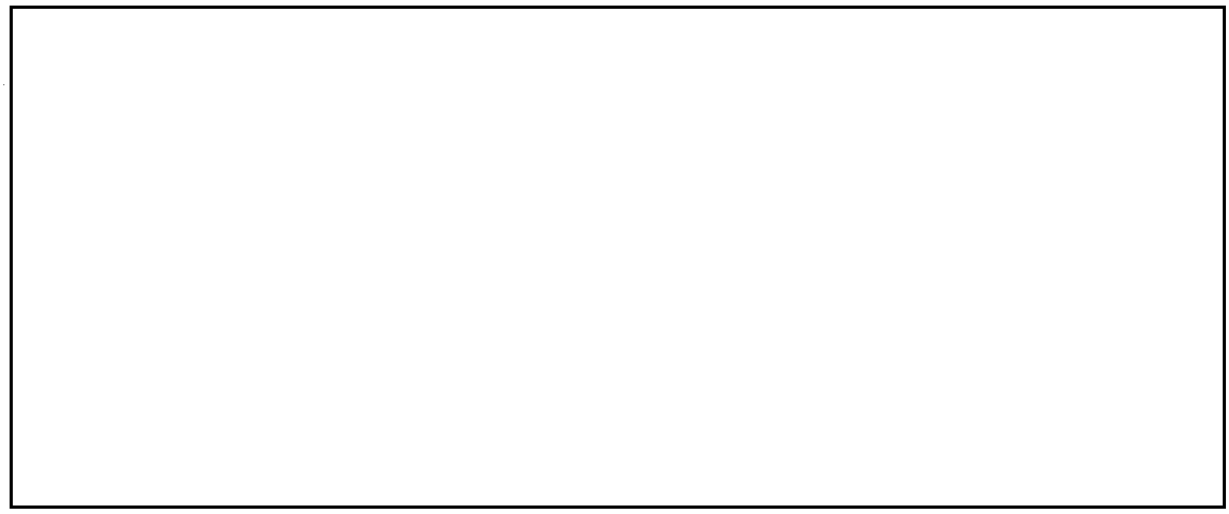

Lesson 3. Better Analysis

Post-mortems and critiques written both within and outside of the intelligence community have drawn from past crises a considerable body of knowledge about the analytical process and common pitfalls in warning analysis. Wishful thinking, losing important information amid surrounding "noise," and succumbing to the "cry wolf" syndrome have become familiar concepts.

The failure to address key questions has been identified in studies of intelligence performance.

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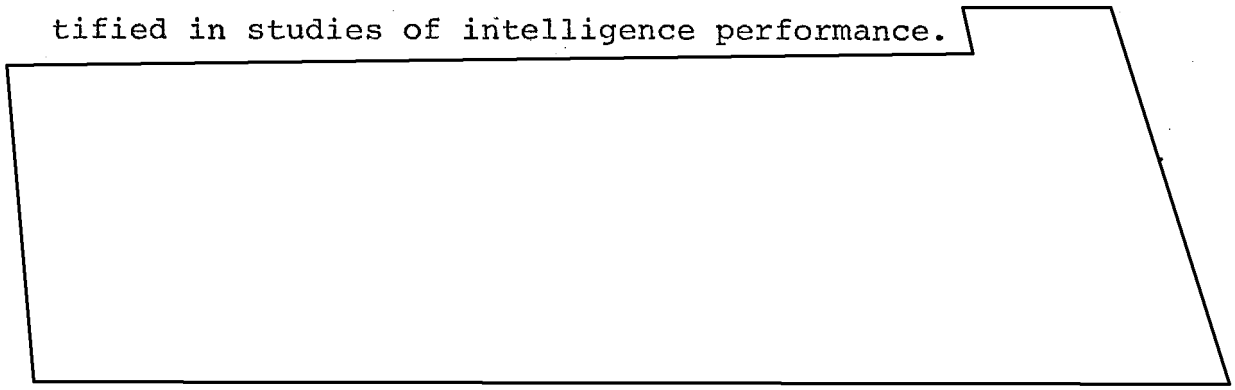

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Studies of the October War show that again there was a failure to ask all the necessary questions. Assuming that they could not win a military victory, might the Arabs nevertheless perceive advantages in initiating hostilities? How did the Arabs view U.S. and Israeli attitudes toward negotiations?

Although the analytical failures revealed in the studies of past crises are relatively familiar to the "warning community," efforts to improve analysis have been uneven, sometimes driven as much by the availability of new technology as by a deliberate effort to avoid past analytical mistakes. Although it is widely understood throughout the intelligence community that the key to effective warning is good analysis, major improvement efforts have focused elsewhere. One reason for this undoubtedly lies in the difficulty of defining what the warning analytical process is, and deciding what approaches should be taken to improve it.

Some significant organizational changes have been made to improve warning. The existence since 1974 of a Strategic Warning Staff, which bears no responsibility for

current intelligence reporting, can be expected to ensure that, at least for the "Big W" target areas, the "warning community" will not lose sight of the long-term picture the way it did in the Middle East during the summer and fall of 1973.

The trend toward all-source analysis has affected warning analysis in recent years. Watch center analysts who earlier handled incoming traffic on a source-by-source, and sometimes compartmented basis, now are able to monitor all intelligence bearing on a particular region of the world. Greater interaction between NSA and other elements of the community has developed over the past five to ten years, with NSA personnel participating more in community seminars and serving as liaison with other community elements and operational users. This interaction, as well as modest new efforts undertaken by DIA and NSA in the wake of the October War, are felt to have improved the ability of warning analysts to make effective use of SIGINT material. It is apparent, nevertheless, that substantially more effort of this sort is required to ensure that analysts throughout the community make optimal use of all-source information.

The last five years have seen increased interest in "methodologies." Still in its infancy, this interest has

taken several forms and in general has not been very focused. Contractual studies have been performed; computerized analytical aids have been developed and are being tested; training materials have been developed. To a greater or lesser extent throughout the community, efforts have been made to encourage and assist analysts in applying appropriate non-intuitive methodologies to particular analytical problems. These techniques include Bayesian analysis, Delphi process, causal mapping, the use of charts and graphs, quantitative content analysis, etc. Most warning analysis, however, continues to be performed largely by intuitive means--much as it was ten years ago.

This is not to imply that the traditional approach is unsound--an experienced analyst's intuitive understanding of a situation will continue to be essential to warning, regardless of what quantitative aids or elaborate methodologies are employed. The major value of more structured techniques is that they may help overcome analytical bias.

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Another approach to improving analysis is to try to ensure that the right questions are asked. Although studies of past crises have pointed to the need for just this kind of effort, relatively little appears to have been done in this area. A DoD review of the October War urged the establishment of "challenge teams" of experienced officers who would force the analysts to justify their views and to examine conflicting hypotheses.

The NIO structure, established in 1973, was intended to manage the production of estimative intelligence. Some NIOs, although not all, do involve themselves in current and warning intelligence sufficiently to provide some of the necessary guidance. Even if all the NIOs were equally able to perform this function at the community level, there would be a need for better management mechanisms within each element to continually prod analysts to review

assumptions underlying their judgments, to consider alternative hypotheses, and to ensure that the right questions are asked.

25X1 The importance of asking follow-on questions--

-has not been fully recognized in the community. Not only has little effort been made organizationally to provide this sort of challenging management, but the community's major product on warning, sets a weak 25X1 25X1 example.

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It is widely understood that the key to good analysis is well trained, highly motivated analysts. It is also accepted that, although there are many highly skilled and 25X1 experienced analysts, improvements are needed.

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high priority. What is needed on the one hand is a community-wide effort to provide the "challenge teams," training, and methodology support staffs to ensure that analysis is directed at the right questions and that appropriate techniques are used.

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Lesson 4. Expectations of Unambiguous Indicators

Warning analysts must not expect to find unambiguous indicators. No lesson of the past has been clearer than this one. Even the Japanese "winds code" signals, widely characterized later as unequivocal warnings of surprise air attack on Pearl Harbor, were in the context of the other intelligence being received in December 1941, "not merely ambiguous but occasionally inconsistent with such an attack.[14]

The invasion of Czechoslovakia provides textbook examples of the kinds of ambiguities that warning analysts must be prepared to cope with. Although massive amounts of intelligence can be expected to show that preparations for attack have been made and that the chance of attack is great, analysts must not count on receiving word that the political decision to execute the attack has actually been made. The problem is compounded if readiness has been

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[14] Roberta Wohlstetter, Pearl Harbor Warning and Decision, Stanford University Press, 1962, page 388.

achieved in a preliminary build up (as it was in Czechoslovakia), since final preparations for attack may be rapid and difficult to collect. Nevertheless, the intelligence community has repeatedly expected to collect concrete, clear indicators immediately preceding an attack.

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warning process. At the very least, warning of a government's actions can be no more definite than the decisions which that government's own leaders have made up to that point. Even if a decision to attack has been made, it has probably been made contingent on a number of other circumstances, including political or military actions by the U.S. Decisions on the specific timing and location of attack are typically contingent also on a number of last-minute factors.

Another factor that increases ambiguity is that an attack or other hostile action is typically part of a cycle of action and reaction. In a period of tension two or more nations may take a long succession of measures designed to deter the other, to signal their own intentions or to explore the other's, to increase military preparedness, to

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elicit third-country support, and to consolidate domestic support. Actions taken for all these purposes may trigger reactions from the other side. This complicates the job of the warning analyst, who must distinguish action from reaction in order to interpret the other side's intentions.

The intelligence community must find ways to minimize unnecessary ambiguity. It must structure its reporting so as to provide policymakers with the clearest and most useful analyses consistent with available intelligence. This requires serious effort in three areas.

First, information about U.S. military operations and diplomatic exchanges must be available to the intelligence community, and warning analysts must integrate this information effectively with available intelligence.

Second, reporting formats for warning intelligence, as for all predictive intelligence, should enable users to understand clearly when analysts are detecting a change. Judgments of the likelihood of attack, for example, should be presented in a sufficiently structured way so that the policymaker can readily see whether analysts are predicting an increased or decreased likelihood of attack. Reporting that tracks intelligence judgments over time in this way would of course not eliminate ambiguity. It would, however, help to overcome sources of uncertainty that tend to undermine users' confidence in and effective use of warning judgments: inconsistent terminology, the inability to compare warning judgments over time, and the inability of the

analyst to convey a sense of his own certainty or uncertainty in a given judgment.

Third, the intelligence community bears responsibility of helping users to understand the inherent uncertainties of the warning process. To encourage the widespread assumption that unambiguous warning can realistically be expected is to seriously mislead policymakers. Yet the tendencies to do this continue to be strong. The recent [redacted] 25X1 is careful to point out that warning can be ambiguous. Yet 25X1 taken as a whole, the [redacted] perpetuates the idea that critical warning will be available during the last few days and hours before attack, and that such warning will be sufficiently free from ambiguities to permit the responsible decision makers to undertake necessary action. The [redacted] 25X1 hardly acknowledges action and reaction as a source of ambiguity in warning of Soviet actions.

Lesson 5. Users' Resistance to Warning

Effective warning requires receptivity by intelligence users. This is the most difficult lesson. History provides ample illustration to suggest the futility of warning if decision makers are unwilling to accept warning or are unprepared to deal with the terms in which the warning comes. Nevertheless, the problem of users' attitudes is not discussed much within the intelligence community.

The fact that users are not part of the intelligence community limits discussion of the problem. Because studies

of intelligence failures, in particular the detailed post-mortems that have been prepared within the community, do not deal with the subject, less is known about how user attitudes contribute to intelligence failures than is known about other causes that lie within the intelligence community.

Nevertheless, it is possible to identify two general reasons why national decision makers might resist accepting warning. First, there is a psychological reason. Accepting warning may represent an admission of failure. To accept warning, the policymaker must first accept the likelihood that his own policy of military deterrence or political negotiation has failed.

The second basic reason is that it may be politically difficult for a leader to accept warning. To accept the probability of hostile action may require a decision to do something that is politically unpopular. In some cases the decision maker may feel that the wisest course of action is to do little or nothing in response to the prediction, but is reluctant to appear weak or isolationist. In other cases the decision maker may wish to respond aggressively but recognizes his country's unwillingness to respond with force. In either case the decision maker might find it useful to relieve himself of some responsibility by insisting after the event that no warning was given. No intelligence failure can be attributed entirely to the

attitudes described above, but it is likely that these attitudes were contributing factors in most failures.

In addition to these basic reasons, there is another reason that may prevent decision makers from accepting warning. It is more complex but probably equally prevalent. Policymakers may not be prepared to take action in response to ambiguous intelligence. In some circumstances the decision maker may adopt "hedging" actions in response to uncertain judgments; the actions taken in response to available intelligence during the Cuban missile crisis were geared to match the uncertainty about Soviet actions and intentions. In other cases such "hedging" or precautionary actions are not available, or may be viewed as too risky, given the degree of uncertainty in intelligence. In such cases, the decision maker would be unable to find any appropriate response other than inaction, given the degree of uncertainty in the warning judgment.

C. Summary

The lessons to which the intelligence community has responded most fully are those that can be addressed by fielding new collection systems, improving timeliness of collection, communication, and traffic dissemination, and making limited organizational changes. Other lessons have been "learned," in that everybody seems to understand their importance, but implementation of improvements has been

very slow: overcoming compartmentation problems, particularly between intelligence and operational and policy channels; [redacted] 25X1

[redacted] One reason these problems are so intractable is that they involve so many players, including ones outside of the intelligence community.

The emphasis on collection and on other problems that can be addressed by technical means has overshadowed attention to improving analysis. Certain new efforts are being made to improve analysis, among them the [redacted] 25X1 and the development of videotaped training courses. In general, however, these efforts have been small, and their effect at best has been to ameliorate a situation rather than to address the fundamental problems of personnel turnover, management, and morale, which limit analyst performance.

The lessons that have been most difficult to learn have to do with attitudes of intelligence producers and users toward the warning process itself. Much greater understanding is needed both of the inherent ambiguity of warning, and of the need to minimize all unnecessary uncertainty and confusion in the production process.

It is not enough to warn. To be effective, the warning must convince the user of the need to make a decision. To

help the user make the decision, which might range from a precautionary step to ordering full mobilization, there must be more than a judgment of "war" or "no war." The decision maker must know whether the event is now judged more likely than previously, and whether the intelligence community is more certain of this judgment than it had been.

This understanding is clearly necessary if decision makers are to respond confidently to an intelligence warning of attack. It is equally important in ensuring that policy-makers accept a warning judgment that a given situation does not represent a serious threat, and thereby avoid dangerous overreactions.

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V. Watch Centers

V. WATCH CENTERS: EVOLUTION, ISSUES, CHOICES

A shift in the role assigned to intelligence watch centers, emphasizing crisis management, occurred in the 1960s. This reflected a change in the dominant national security concern, which during much of the 1950s was sudden, massive attack. In the 1960s concern focused on Communist-backed insurgencies, and on the "management" or crises, from the Soviet missiles in Cuba to instability in the Dominican Republic. Today's watch centers continue to serve two functions: supporting crisis management, and contributing to warning.

The two functions are quite different. A strategic warning watch center monitors a set of indicators, forms judgments about the seriousness of observed abnormalities, and alerts top decision makers rapidly if it judges a threatening event likely. A crisis management center provides current intelligence and some short-term judgments to support decision-making, and facilitates timely communication among all U.S. elements involved.

In practice, the two functions are not mutually exclusive. Warning, timeliness and coordination are essential ingredients in each. Moreover, a situation which is being monitored for warning purposes may rapidly become a crisis, with actual or anticipated U.S. involvement.

Since the early 1960s the centers have been equipped with increasingly sophisticated communications and information handling systems. These technological advances have made possible timely and detailed management of operations at the national and command levels. 25X1

[redacted] and computerized analytical aids has raised expectations for the centers' performance in warning as well. The centers' increasing sophistication has created the illusion that, given adequate equipment, the center will be able to perform optimally both as a watch office and as a crisis management center. In practice, however, all of the centers have made trade-offs. The organization, manning, and procedures adopted to optimize performance in one role sometimes detract from performance in the other.

Three choices bear on a center's capabilities for warning and for crisis management. They include:

- the choice between rapid response (essential to crisis management and to certain warning situations), and strategic warning analysis;
- between requiring a center to produce current intelligence (as it must to support crisis management) and keeping it free to monitor warning indicators; and
- between coordination and diversity in intelligence production.

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Following is a review of past and present watch centers, and a discussion of these three recurring trade-offs. The discussion illustrates the importance of leadership to ensure that, as each center makes the necessary trade-offs, the community as a whole maintains strong capabilities for warning and for crisis management.

A. Definition

A watch center (or intelligence operations center) is an intelligence facility operating 24 hours a day, equipped with the necessary communications and personnel to be able to monitor collected intelligence and alert users rapidly of its significance.

In the Washington area, there are watch centers at five major government elements:

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B. Historical Development

All-source, national watch centers are a relatively recent phenomenon. Of the Washington area centers listed above only the CIA's existed prior to the early 1960s.

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Prior to the 1960s there was only one watch center engaged in strategic warning--that is, systematically monitoring indicators of hostile activity. This was the National Indications Center (NIC), established in 1954

as a professional staff for the Watch Committee, an inter-agency body that , after 1958, reported to the United States Intelligence Board (USIB). Consisting of personnel from the USIB agencies, the NIC included a Watch Alert Group operating on a 24-hour basis. The NIC staff developed and updated lists of indicators of hostilities, and followed the flow of intelligence concerning the Soviet Union, China, North Korea, and -- as U.S. involvement in Vietnam grew -- other problem areas as well. Every morning the NIC published a brief summary of developments over the previous 24 hours of possible warning significance. The Watch Committee Report, issued following each weekly meeting and occasional special meetings, presented the coordinated views of the intelligence community. Footnotes registering dissent were used rarely.

During the Kennedy administration, partly in response to the Bay of Pigs and the Cuban missile crisis, watch centers were established at the White House and at INR, and the watch office at CIA was substantially upgraded. DIA was established, and in 1961 the Air Force Current Intelligence and Indications Center was transferred to it.

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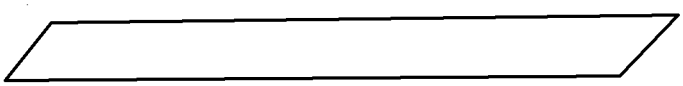

By the early 1970s improved communications kept the Washington area watch centers in touch with each other and with centers at the Commands around the world. Technological advances included improvements in secure voice communications, and facsimile transmission capabilities among Washington area centers. Equally important, procedures for communications and for distributing intelligence products had been refined, partly in response to crises such as the Pueblo and the EC-121. Agreements had been made to facilitate communication between operations and intelligence, and some problems of compartmentation had been overcome. The NOIWON network was established in 1974. With the establishment of the National SIGINT Operations Center at NSA in 1973, watch centers operated at every community element. Procedures for crisis management and emergency task forces have been developed at each one, and a system for producing an inter-agency situation report created.

As the Washington area "warning community" matured, the continued role of the Watch Committee and NIC was cast in doubt. The NIC's 24-hour capability was no longer required. The Watch Committee Report involved a lengthy process of coordination which appeared unnecessarily

cumbersome now that the watch centers could be in timely communication with each other. Over the years the Watch Committee and NIC had been required to broaden their warning attention, and ultimately devoted much of their attention to problems outside of their original "big W" mandate. The final blow to the Watch Committee/NIC mechanism occurred in 1973, when the intelligence community failed to warn of the October War. The Watch Committee received much of the blame for this failure at the time, as the process of intelligence coordination was believed to have "watered down" concern

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During 1974 a proposal was adopted to replace the Watch Committee and NIC with a Strategic Warning Staff (SWS), which would report to the DCI through a Special Assistant for Strategic Warning. Like the Watch Committee, the SWS is located at the Pentagon. Its director is named by the DCI. The mandate of the SWS is focused strictly on the "big W" problem. Unlike the NIC, the SWS does not operate on a 24-hour basis, nor does it produce current intelligence. Its small staff monitors long-range warning problems, and develops and revises lists of indicators to guide warning

analysis and form a basis for collection. Their weekly and monthly publications are not formally coordinated, although they are circulated for comment or revision before publication, and occasionally carry dissenting notes from one or more agencies.

In recent years, efforts throughout the community have been aimed to enable the watch centers to detect an unusual pattern more rapidly, to confer quickly with each other, to produce current intelligence more rapidly, to cope with a flood of incoming traffic, and to support crisis management efforts. Communications procedures have been refined: further instructions for NOIWON use were issued after the Mayaguez; a directory of alert centers have been published; a new CRITIC Handbook has been issued. Automated traffic dissemination systems have been adopted or are planned. In-depth analysis of indicators and of warning significance or current trends continues to be the particular responsibility of SWS.

C. Three Trade-offs

1. Rapid Response or Strategic Warning Analysis

To maximize its rapid responce capability, a watch center must operate 24 hours a day. Its analysts should have the necessary automated aids to reduce the time it takes to receive and send messages, confer with other analysts,

produce intelligence reports, and disseminate intelligence products. 25X1

[redacted] All watch center procedures must be sufficiently uniform to require relatively little subjective judgment.

Strategic warning analysis does not require a daily 24-hour capability. The essential ingredient is highly motivated and experienced analysts. The emphasis should be on in-depth, cumulative warning analysis--considering current events in the context of earlier ones, including information that cannot be quantified. Efforts should be made to divorce this analysis from pressures of current production and to employ methodologies to overcome analytical bias, to insure that the right questions are asked, and that alternative hypothesis are considered.

Clearly, both rapid response and in-depth strategic warning anlysis are essential to warning. However, it is impossible for a single watch center to perform optimally in both capacities. The personnel in a 24-hour facility must to a certain extent cover for each other; in-depth expertise in one area may be less important than familiarity with procedures and general understanding of the region. The particular demands of 24-hour work are not conducive to retaining experienced analysts for long periods of time.

The Watch Committee/NIC mechanism was intended to serve both functions. Increasingly, maintaining a 24-hour rapid response capability limited its ability to perform strategic warning analysis. The recent modernization of the NMIC is intended to improve performance in both areas. On the one hand, sophisticated automated systems are intended to save time. On the other hand, substantive analysts from DIA's Current Intelligence Division now man the Alert Center at all hours; this, together with changes in the daily production schedule, is intended to facilitate more analytical production. These DIA efforts have been somewhat successful, although the emphasis is still on current intelligence production, rather than strategic warning analysis. Although CIA's Operations Center is also manned by analysts rather than watch officers, it is small in size and serves largely as a center for communications and rapid response. It has little capability for cumulative strategic analysis that is delegated to the various analytical offices in the National Foreign Assessment Center (NFAC). This arrangement is organizationally sound, but its effectiveness depends on strong production management to insure that a warning perspective is maintained in all of these analytical elements, and such management is uneven. (See Section IV, "Lesson 3".)

2. A Watch Office or a Current Intelligence Production Element

In theory, warning is quite different from current intelligence. (See Section II.) In practice, most warning analysis is performed by current intelligence analysts, and watch centers are typically also current intelligence production offices. This involves a dilemma.

On the one hand, it is desirable to free warning analysts from the demands of a regular current intelligence production schedule. Good warning analysis requires taking the time to consider aspects of a situation that may no longer have any current intelligence interest. Current intelligence producers are subjected to a heavy demand for briefings and other current intelligence products during a crisis, which is when their sustained attention to warning indicators is needed.

On the other hand, warning analysis cannot occur in isolation from current intelligence. There are several reasons for this. First, if personnel at a 24-hour facility were not producing current intelligence, they would be serving as watch officers, a tedious and unrewarding role for an analyst; it would be difficult to keep experienced and well trained analysts in a position that involved little or no intelligence production. Second,

a warning analyst needs to be fully aware of current events in order to interpret indicators, and alert others quickly with the necessary credibility and sound reasoning. A watch center's production role may also help give it the necessary stature and credibility within the intelligence community to make its warning effective.

Because the Watch Committee was seen to have bogged down in current intelligence production, designers of the SWS deliberately exempted it from a current production role. This has enabled it to perform a unique and necessary function, devoting its full resources to warning analysis. The arrangement, however, has also contributed to the relative isolation of the SWS. The isolation undermines its warning effectiveness, since intelligence users and other community elements do not depend on the SWS regularly for information, or have routine dealings with it.

With the organizational changes involved in its "modernization," the NMIC Alert Center has undertaken a larger share of DIA current intelligence production. Greater flexibility in the production schedule has removed some pressure, although NMIC Alert Center analysts still devote much energy to scheduled and ad hoc briefings.

CIA's Operations Center has taken some steps in the direction in increased production, although it operates primarily as a watch center. It disseminates traffic, and

as necessary also alerts analysts in the various elements of NFAC. These include the Current Reporting Group (CRG), which directs the production of CIA's major current intelligence products: the National Intelligence Daily (NID), the Weekly, and the President's Daily Brief (PDB).

At the State Department's INR, small staff size lessens the distinctions between watch center analysts, current intelligence producers, and other intelligence analysts. The Current Intelligence Staff at INR maintains a 24-hour watch, produces twice daily cable summaries, and works closely with other INR analysts who must come regularly to CIS offices in order to read compartmented traffic.

3. Coordination or Diversity in Intelligence Production

This dilemma is central to the entire intelligence process and to the organization of the intelligence community. It has particular relevance to warning and to the role that watch centers should play in it.

Strong arguments can be made in favor or a coordination process such as occurred during the weekly meetings of the Watch Committee. The various community elements were required to face up to the differing views that each might hold. The process ensured that a minimum all would be aware of the same set of facts, so that differences in analytical

approach could be addressed more clearly. Dissident views within a given agency could also surface more readily through this process, as dissidents who might be present became aware that their views were held by others. This might have encouraged fuller consideration of hypotheses which otherwise would have been dismissed.

Good arguments can also be made against coordinated intelligence. The process of writing a coordinated product requires time and resources, and is often an empty exercise in wordsmithing. Unless the coordinated product is considered very important and has the full backing of the DCI and agency heads, there is a tendency not to assign the most valued personnel to produce it, but to retain them where their expertise is most needed. Finally, the wordsmithing process can easily result in overly homogenized judgments -- ones which are less meaningful to the user than the independent and perhaps even contradictory judgments of the several intelligence agencies. In addition, it is widely believed (after the 1976 experience with the National Intelligence Situation Report) that no single format can meet the needs of the various intelligence consumers.

One reason why the Watch Committee was abolished was because it was believed to have blurred the differing views within the intelligence community. That

particular danger no longer exists, in that its successor, the SWS, does not coordinate intelligence. At best, SWS tries to serve as a catalyst in focusing intelligence community attention on the warning implications of a situation.

But, as was discussed in Section III, neither the SWS nor the NIOs have fully replaced the Watch Committee in ensuring that all community elements focus on a given problem. Greater communication between the analysts themselves and the regular use of the NOIWON among Washington area alert centers, address part of this problem. An alarming, time-sensitive piece of information will be immediately considered by all the alert centers. However, this does not ensure community-wide attention to a slowly evolving situation in a way that uncovers differences in the assumptions underlying the analyses of different agencies, or that ensures that the relevant facts are fully understood. Thus, avoiding excessive coordination has entailed some costs.

D. Summary

Two points emerge from this discussion of the trade-offs associated with watch centers:

1) There is no single ideal balance between rapid response capability and cumulative analysis, between a watch office and a production element, or between coordination and diversity in intelligence production. Rather, since

real trade-offs are involved and no one center can maximize its performance in all capacities, it is desirable for the various watch centers to assume somewhat different roles. A degree of specialization may ensure that the community as a whole benefits from sustained attention to a warning problem, while fully meeting its responsibilities in current intelligence production and maintaining the necessary rapid response capability. The role that individual watch centers play may change over time in response to changes in the needs of their agency, to technological developments, or to other factors.

2) Effective leadership is needed to ensure that these trade-offs are kept in balance throughout the community. At the present time, for example, attention and resources are focused, perhaps disproportionately, on improving traffic dissemination, communication, and rapid retasking of collection assets.

DCI leadership--perhaps embodied in a full-time special assistant for warning--is needed to ensure that sustained, in-depth strategic warning analysis receives adequate resources and community attention. SWS, as the community element with particular responsibility for this analysis, should at a minimum be ensured of promptly receiving all warning relevant intelligence, including

operational and policy information. SWS should play a less detached role in warning community efforts. Although a certain detachment is essential, it should avoid isolation, which interferes with its ability to play a leadership role when necessary in focusing community attention on a given problem. Beyond the SWS, DCI leadership should ensure adequate attention to warning analysis throughout the community. The management role of NIOs in warning analyses--ensuring that the right questions are addressed and that alternative hypotheses are considered--needs to be emphasized.

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VI. Assessment

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VI. ASSESSMENT

The intelligence community's capacity to provide warning can be evaluated by assessing past performance. The limitation of this approach is that major warning situations, which fully test the community's capacities, occur rarely. Although short-lived crises, in which intelligence is required for crisis management more than for warning, take place somewhat more frequently, past events still do not provide an adequate measure of present capabilities. This is because the circumstances of each event differ, and because the intelligence community, responding to perceived problems, is continually changing: new collection systems are developed or improved, greater timeliness is achieved, and new procedures are adopted.

An indirect approach, which has been used in this report, evaluates present warning capability by asking: how well has the "warning community" responded to the lessons of the past? Past performance, as measured in post-mortems, other public and classified studies, and interviews by Committee staff, provides the essential basis for this approach. The focus, however, is on the community's response to weaknesses which have been identified repeatedly in those studies and interviews.

A. Conclusions

As Section IV reported, some lessons are learned more readily than others. Emphasis on collection and on other problems that can be addressed primarily with technology has overshadowed attention to improving analysis and to minimizing uncertainty and confusion in the production process.

The result is that intelligence performance in future warning situations is likely to reveal familiar weaknesses. Enough intelligence will have been collected, and, in general, processing and dissemination will be timely. Much of the analysis will be good. The warning judgments received by decision makers, however, will be less than clear and convincing. There may be several reasons:

- Analysts may have failed to ask all the necessary questions.
- One agency may have addressed the vital questions, but, unable to focus the mainstream of intelligence community resources on the question, it may have hidden its warning judgment "under a bushel."
- The formats and sheer volume of intelligence products may have failed to convey the increasing certainty felt by warning analysts.

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- The expectation of completely unambiguous warning may have kept both producers and users from fully considering available "warning."

The cost of these weaknesses is unnecessary surprise. This surprise is usually understood to involve an action, with little or no warning, affecting U.S. interests. Also costly is the uncertainty surrounding situations that may appear to be alarming but which do not represent the anticipated threat. Timely and accurate warning judgments, convincingly conveyed to decision makers, both help the U.S. to respond effectively to hostile action, and help avoid overreaction in other circumstances.

1. Areas of Greater Improvement

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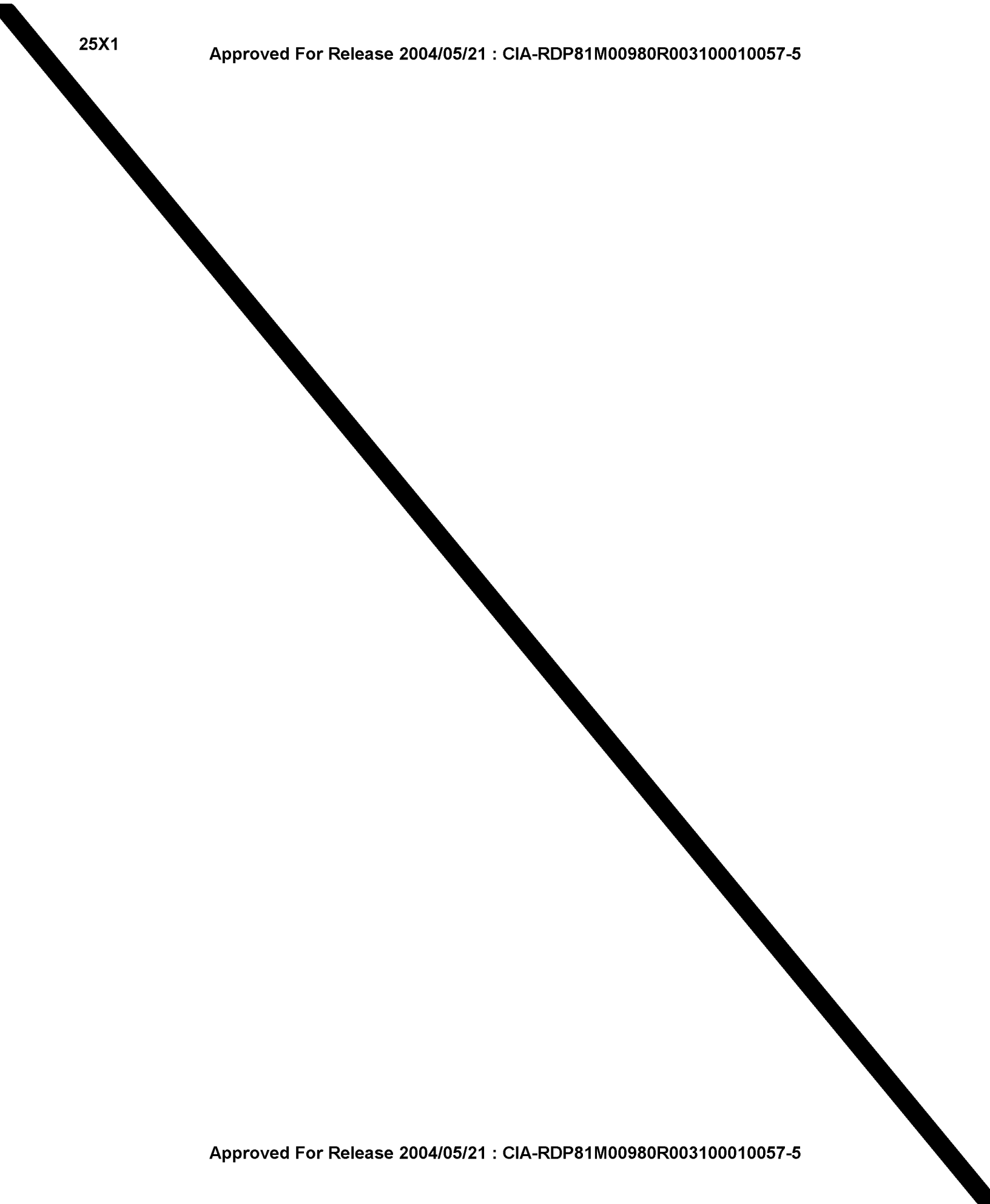

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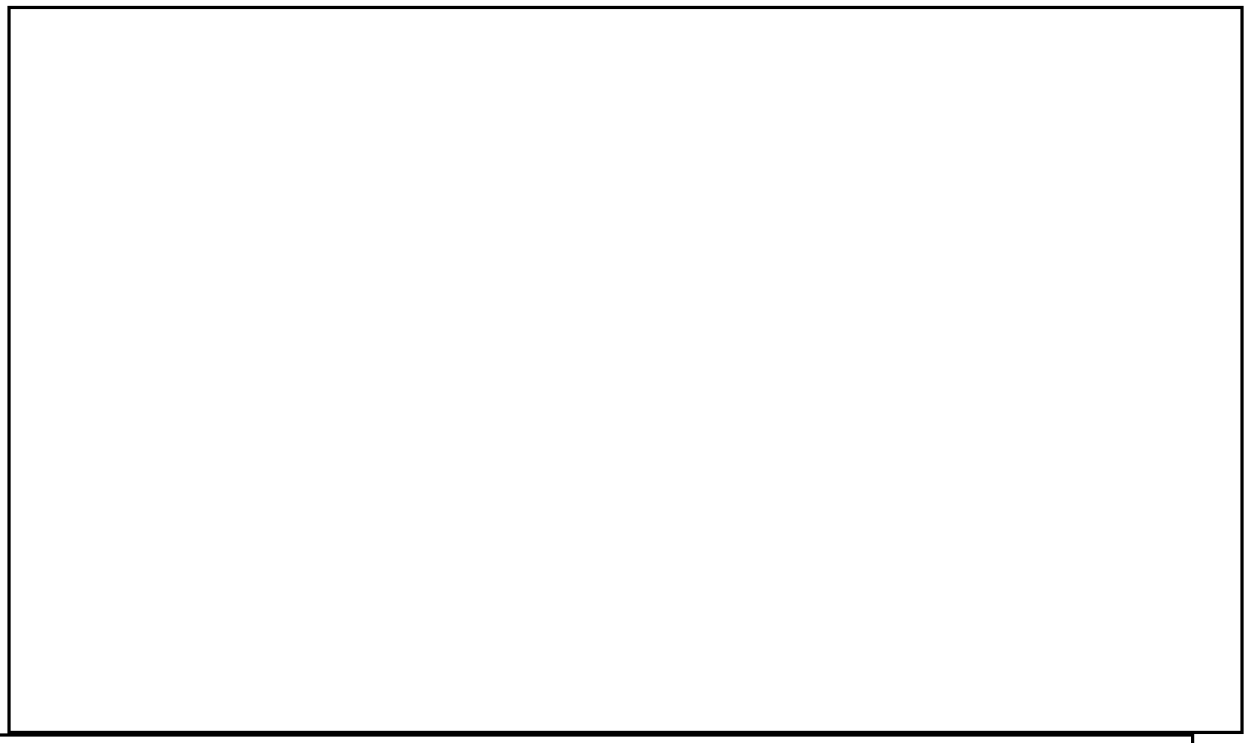

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Greater communication among different elements of the intelligence community, and the development of procedures such as those which govern the use of the NOIWON and CRITIC systems, mark a maturation of the production side of the "warning community." Routine interaction among watch center personnel and other analysts has been facilitated not only by certain technical advances in communications, but by policy decisions to encourage such interchange.

Automated traffic dissemination and storage systems, adopted in most Washington-area watch centers, have begun to produce some of the anticipated savings in production time. However, as the Subcommittee determined in a separate

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2. Areas of Relative Neglect

In contrast with the attention devoted to improving collection, timeliness, and even communications and resource management, relatively little attention has been directed toward problems in warning analysis and attitudes toward warning. Yet, as section IV demonstrated, past crises have repeatedly shown the need to ensure that the right questions are asked, alternative hypotheses considered, and analytical biases overcome. Equally important, they have shown that warning judgments must be convincing, and must provide the basis for policy-makers to understand when a substantial change in a situation is believed to be occurring. Finally, although it is more difficult to prove, attitudes of producers and users toward warning--particularly the expectation of unambiguous warning--appear to have stood in the way of effective warning in some cases.

No mechanism exists that encourages analysts to address the follow-on questions that are implicit in their assumptions about a situation--for example, to ask how likely the Czechoslovaks were to pursue the kinds of actions that would make the Soviet use of force necessary--or to ensure that analysts confront all reasonable alternative hypotheses. Some NIOs are either not sufficiently involved in current intelligence, or overly involved in other management functions, to play a significant role in warning. The SWS, as discussed

in Section III, cannot require analysts throughout the community to address the warning implications of current events, or to confront each others' interpretations.

Methodology, training and analytical support efforts are still in their infancy. Most analysis is performed entirely by intuitive, historical means. Although such means, employed by highly skilled and experienced analysts, ought always to play a major part in warning analysis, studies of past warning situations have repeatedly recommended building in techniques and procedures to overcome biases and to challenge widely held views. Modest efforts are being made to acquaint analysts with a variety of analytical techniques, but there is still little day-to-day encouragement to consider current warning problems under these more structured approaches.

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No system of products exists to convey warning judgments clearly and persuasively to the user. Specific warning vehicles have been adopted and discarded. Warning products take many forms, and there is no systematic way for a user to compare today's intelligence judgment with yesterday's, and to perceive warning in terms of the rate of change in a situation. Much warning intelligence is presented as current intelligence, not embodying a judgment of likelihood or probability upon which the decision maker might base his actions. Proposals for a coherent family of warning products --intended to address this problem--have been made both at the community level and within DIA. The recent DIA report on upgrading the DoD Indications System proposes some specific means to ensure that warning products actually convey a warning judgment.

The intelligence community does little to improve users' or producers' understanding of the warning process. An exception is the adoption by the Defense Intelligence

School's I&W course of instructional materials such as the Handbook on Warning Intelligence, which points out many common fallacies about warning. The intelligence community missed, in its recent [redacted] a major opportunity to address the widely held assumption that warning is a commodity than can be provided unambiguously a certain number of hours before attack. Rather than stressing that analysis of events during the weeks or months of the "crisis of unprecedented severity" would form a major part of whatever warning intelligence is provided, the [redacted] concentrates primarily on the warning problem during the last days and hours prior to attack.

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Problems that range from analysts' morale to widespread attitudes about warning itself cannot be remedied instantly. To a large extent, however, the persistance of these problems is attributable to a lack of adequate leadership in the "warning community." As section III concluded, the "warning community" itself is diffuse and its functions cannot be neatly separated from those of the rest of the intelligence community. The need for more focused leadership is evident, both at the community level and in the management of the DoD Indications System.

B. Recommendations

1. The Director of Central Intelligence

The DCI must provide a focus for warning leadership in the community. Appointment of a special assistant for warning is desirable, and probably necessary as a means to this end. Such an official is not to provide warning; that is the function of analytic elements throughout the community. Rather, the official must ensure that the warning mission is adequately understood and carried out, and that the procedural, organizational, and doctrinal issues that affect the performance of the "warning community" are addressed at appropriate levels.

The DCI's focus for warning must assume the following functions:

- define explicitly the warning role of the NIOs;
- oversee the Strategic Warning Staff, and enable it to contribute in a more vigorous and timely manner to community consideration of the "big W" problem;
- provide for the adoption, evaluation, or discarding of warning mechanisms (such as Intelligence Alert Memoranda);
- ensure that community-wide crisis management teams are established as necessary and provided with the authority and access to perform their mission;
- promote communication among members of the "warning community";

- ensure that a review of all intelligence community resources contributing to the warning mission occurs as part of the community's resource management process;
- encourage the use and evaluation of appropriate structured methodologies in warning analysis, and ensure that adequate training and support is provided to analysts;
- promote greater understanding of the warning process among both intelligence producers and intelligence users.

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2. The DoD Indications System

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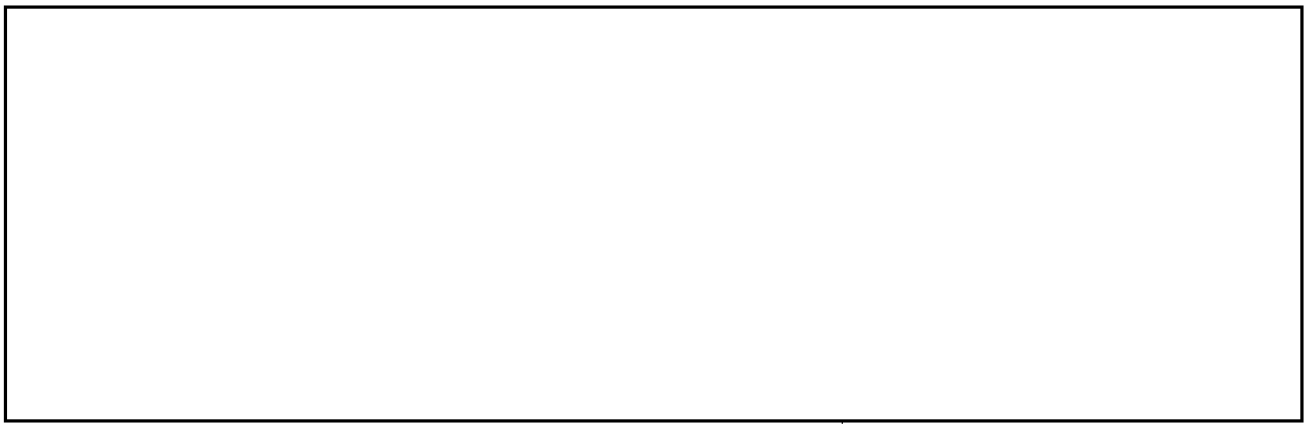

APPENDICES

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Appendix C

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The CIA Operations Center

The CIA Operations Center is a watch center, fully manned 24 hours a day. All intelligence wire traffic is received there, where watch officers scan it, monitor developing situations, and rapidly bring significant events to the attention of the DCI, the President, and other intelligence users. The Operations Center receives urgent inquiries coming to the CIA; if it cannot provide a response on the spot, it draws on analytical resources elsewhere in the Agency, summoning the necessary experts when necessary.

Teams manning the Center consist of a senior watch officer and three watch analysts, each of whom monitors

25X1 events in a region of the world. 25X1

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Clandestine reporting traffic is scanned by two officers from the Directorate of Operations (DDO) who are assigned to the Operations Center. 25X1

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[redacted] Substantive intelligence coordination for the entire Operations Center is the responsibility of a Senior Duty Officer.

The CIA Operations Center also provides the eight or nine watch officers that man the White House Situation Room, and the CIA representatives to JCS/DIA and the NMCC.

Evolution

Development of the Operations Center has responded to two requirements:

- The need to provide a place where all-source analysis could occur- [redacted]

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- The need, described in the historical section above, for the agency to be able to respond 24 hours a day to consumers' requests.

When the CIA was first established, night watch consisted of two junior employees, who answered the telephone and, if necessary, alerted other CIA personnel. In the late 1950's, as the current intelligence responsibilities of the Agency grew, a watch office was set up, and the position of Senior Duty Officer (a senior analyst) created. The watch office was the point where all urgent traffic was received after normal duty hours.

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Following the Cuban Missile Crisis an all-source analytical area was created, largely to enable analysts to make better use of [redacted] material, which until then was available for reading only [redacted] An all-source watch center was created at this time, which included the necessary spaces for the operation of a crisis task force. To facilitate the use of clandestine reporting during crises, DDO traffic was received in this area. Until four years ago, the Operations Center was run by the Office of Current Intelligence (OCI) in the Directorate of Intelligence (DDI).

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In 1973 the Operations Center was removed from OCI and its Director was given greater responsibility over the watches maintained by the DDO and the DDS&T. At that time the Center's operating style was changed, with incoming traffic read on an all-source basis by young "watch analysts," each of whom concentrated on a geographic region. Before that time, traffic coming from different sources had been read by different watch officers, who had disseminated it to twenty or so recipients throughout the Agency. The watch center's substantive responsibility for warning had rested largely on the Senior Duty Officer.

Today the Operations Center is part of the National Foreign Assessment Center (NFAC), established by joining the DDI and the National Intelligence Officers.

Discussion

1) The Operations Center serves as a communications center and a watch office. It does not pretend to be a current intelligence production office. Its only products for users outside the CIA are the White House Spot Reports, which are special messages sent electrically and framed for inclusion in the briefing book given three times a day to the President's Advisor for National Security Affairs; and the VIP Movements Report.

Although the Senior Watch Officers and the Senior Duty Officer are experienced analysts, the watch officers who man the desk are young--sometimes in their first year of service. The watch officer is not expected to be an expert on all the problems in the region of the world he monitors. Much of the time, he or she will refer an inquiry to other analysts in the building.

2) The Operations Center is small. No separate communications center is required, as the cable circuits are located within the Center. A cable clerk scans incoming traffic for precedence, distributes the FLASH and CRITIC messages, and puts the others into boxes for each of the watch analysts, who pick up their mail once every 15 minutes

or so. An average of about [ ] messages is received daily 25X1
(less on weekends), plus some [ ] ticker items from the 25X1
wire services.

This method of distribution is currently being replaced by a computerized message processing system. At present this change appears to represent a step backward, in that the Computerized Dissemination System (CDS) requires that the analyst decide upon seeing a message on the screen whether to retain the message. He must then have a hard copy made, which requires leaving his desk and walking over to the hard copy printer, near the Senior Duty Officer. Whereas the watch analysts now tend to keep track of a number of events by maintaining little stacks of cables on their desks, it seems likely that under the new system they will be reluctant to monitor cases whose significance is not immediately apparent when the message first appears on their CRT screens.

The CDS has been on-line for only six months, and, until its reliability has been assured, the Operations Center continues to read traffic coming in on its teleprinters against the traffic appearing on the video screens. Even once its reliability is determined, the system's lack of archival, retrieval, file-building, and text-editing capabilities makes it a less than satisfactory replacement for manual hard copy distribution.

When the CDS was adopted by CIA's Office of Communications five or six years ago, it was widely assumed that the system would be connected with project [redacted], which is intended 25X1
to serve the production offices at CIA and was envisioned to have all the necessary capabilities. However, development of the prototype [redacted] system has not progressed as 25X1
rapidly as anticipated, and will not be operational until the mid-1980s.

4) The Operations Center is currently overseeing a crisis management project. The project, which has examined the information management problems faced during past crises, is testing the usefulness of a number of applications which could be built into the ADP system used both by the Operations Center itself and in its task force or working group area.

5) The strengths of the Operations Center include:

-- reasonably clear lines of authority, enabling coordination of resources from three directorates;

-- an established mission; strong demand for its regular products, and reliance on it by the rest of the community for mobilizing CIA resources in response to urgent requests.

A weakness is:

-- limited capabilities of its computerized dissemination system (at least during interim period).

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